

## anagement

THE MAGAZINE OF

How to Sell Your Ad Budget to the Board of **Directors** 



#### WE'LL HELP YOU PUT IT OVER

Before any program gets airborne, communication is the first step. General Electric, for example, found basic information about transistors indispensable to effective radio set sales.

Dealers, retail salespeople and distributor representatives had to know exactly how transistors work, how they make the new pocket-size radios possible. A fast-paced Jam Handy motion

picture, called "The Mighty Mites of Electronics," put the right points across to the right General Electric people fast!

Next time you'd like to get a running jump on your competition, call on us. We help business sell!

How about costs? We think you'll be as pleasantly surprised by our film economies as the folks at General Electric are.

### The JAM HANDY Organization

NOTHING SELLS PRODUCTS AND IDEAS LIKE IDEAS

MOTION PICTURES . DRAMATIZATIONS . PRESENTATIONS . VISUALIZATIONS . SLIDEFILMS . TRAINING ASSISTANCE
CALL NEW YORK, JUdson 2-4000 HOLLYWOOD, Hollywood 3-2221 DETROIT, Titustry 5-2450 DAYTON, Enterprise 6290 PITTSBURGH, ZENIER 6143 CHICAGO, STate 2-6757



U.S. Army Nike-Hawk, anti-aircraft guided missile. Range 22 miles.

# It's Loaded with buying power...

#### THE INDIANAPOLIS AREA

There's dramatic sales potential in this compact 45-county market! More than 2 million people—with almost 4 billion annual spendable income—make retail sales 15.9%\* higher than the national average.

For massive advertising penetration at economical cost, your best buy in this prosperous market is the Indianapolis Star and the News.

76.7% coverage of the Indianapolis metropolitan area, and 54.9% coverage of all households in the entire trading area, give you more for your advertising dollar than any other available media.

Use this business getting combination for maximum sales impact and buying response.

\*Sales Management, Survey of Buying Power, 1959



GET THE FACTS! Write for your free copy of "FACTS," a condensed report of the booming economic picture of Metropolitan Indianapolis.



A man who takes pride in his work, gets a lot of solid satisfaction out of business-paper advertising. It's a medium that's strictly for prose-you and the men you're selling to. You know you get the markets you want, the results you plan for . . . in businesspapers.



Photo on incution by Arnald Means

# Advertising in businesspapers means business

as any advertising man who knows his business will tell you—because

#### men who read businesspapers mean business





good business advertising works best in a good businesspaper—an ABC-audited, bought-and-paid-for ABP paper

ASSOCIATED BUSINESS PUBLICATIONS + 205 E. 42nd St., N. Y. 17 201 N. Wells St., Chicago 6, III. + 1004 National Press Bidg., Wash. 4

# Sales Management

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#### Summer Slump Reprints Ready

Demand for extra copies of the January 1 issue on the problem of beating the Summer Slump was so staggering that the supply was exhausted within a week.

The complete editorial material (except for the case histories) has now been reprinted, with color, in a 16-page pamphlet, at 50 cents per copy. Orders for 100 or more: 35 cents each.

Send order and remittance to Readers' Service Bureau, Sales Management, 630 Third Avenue, New York 17, N. Y.

### the slipsheet

an informal "f.y.i." before you read the issue

For issue of Feb. 5, 1960

What we know about Sales Management's subscribers would fill a modest book, and would make interesting and profitable reading for those who want to know more about the "typical" corporate chief of sales...how he works and plays, what he worries most about, how he organizes himself and his staff, his functions and responsibilities. These are things we must know in order to keep closely in tune with subscriber needs.

Examples: By averaging up a few statistics, we know that the typical sales executive reading this Feb. 5 issue will be about 45 years old, have an annual income (before taxes) of \$25,800. Chances are he'll be "on the road" at least one day this week, and possibly he'll take along this copy of Sales Management (28% by habit pack SM in their trip kits). It's a good bet he'll take his trip by air, because in a year's time one-third of our corporate sales chief subs travel in excess of 50,000 air miles. Our man, typical of his fellow readers, has been with his company 14 years. No jobhopper, he. His job description, broken down by function, reads like an abbreviated encyclopedia, but nevertheless he spends about 20% of his time on various phases of advertising and sales promotion.

\* \* \* \*

In 1959, the largest single reprint purchase--from a single company--was for 53,000 copies. And that reminds us of a trend: More and more reprint orders are pouring in from marketing, sales, advertising and sales training executives who re-distribute our articles to their regional and district managers, salesmen, distributors, dealers. In these companies, obviously, we help solve various problems of policy, operating procedure, media selection, sales training.

\* \* \* \*

Beginning on page 33, "How to Sell Your Ad Budget to the Board of Directors." A clinical look at the anatomy of decision in the board rooms of such companies as American Cyanamid Co., The American Oil Co., Crucible Steel Company of America, Johns-Manville Corp. Must-reading for our subscribers who must convince directors (hence stockholders) that the ad program will further corporate growth--sometimes at the expense of the next dividend check. Must-reading, too, for the media executive, whose fortunes can rise or fall with decisions made in the board room.

# # # #

The Publishers

Sales Management

630 THIRD AVENUE . NEW YORK 17, NEW YORK

YUKON 6-4800

"the slipsheet" is included only in complimentary copies.

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Executive Offices: 630 Third Ave., New York 17, N. Y., YUkon 6-4800

#### HIGHLIGHTS

#### NEW SPOTLIGHT ON EXPENSE ACCOUNTS

As Internal Revenue Service cracks down on the men who "live on the company," a re-evaluation of certain sales policies can help sales executives avoid a more serious Government bridling of business operations. Here's an interpretation of the clampdown, policies affected by it, and some tips for your salesmen.

Page 40

#### THE BOARD OF DIRECTORS MEETS THE AD AGE

The Advertising program is no longer an unknown quantity to company directors. Board members are getting into the advertising act—showing more interest, more savvy. How are sales managers and admen facing up, as they're challenged to interpret advertising to top management?

Page 33

#### BEING A SALESMAN ISN'T ENOUGH

Today's salesman is more than an order-getter; as liaison between you and your customer, he wears the many hats crowning a program of total marketing. In the light of such new demands on the man, the old-fashioned incentive plan, based only on quota, comes up for overhaul.

Page 94

#### YOU CAN'T AFFORD TO BORE YOUR SALES REP . . .

. . . and you will bore him if your sales bulletins are too routine, too corny—too frequent. There's plenty of information he needs to help him sell your products, but it can get lost in a sandwich of enthusiastic trivia.

Page 76

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A man who knows where he's going, can really go places with businesspapers. This is the sales pro's advertising medium. You've got it made, and you know it—when hardheaded businessmen sit up and take notice of your company and its products . . . in businesspapers.



Photo on location by Arnold Newma

# Advertising in businesspapers means business

as any advertising man who knows his business will tell you—because

#### men who read businesspapers mean business





advertising works best in a businesspaper its readers are sold on—an ABC-audited, bought-and-paid-for ABP paper

ASSOCIATED BUSINESS PUBLICATIONS - 205 E. 42nd St., N. Y. 17 201 N. Wells St., Chicago 6, 18. - 1004 National Press Bidg., Wash. 4 If you like the sweet smell of success—businesspapers are your kind of medium. This is where pro meets pro. Men who know sales and marketing know you build recognition and results, fast—talking business to men who want to do business... in businesspapers.



Pieto on treation by Arnald Newmon

# Advertising in businesspapers means business

as any advertising man who knows his business will tell you—because

#### men who read businesspapers mean business





people pay for businesspapers they want ...read the businesspapers they pay for. Note: all ABP papers are "paid"

ASSOCIATED BUSINESS PUBLICATIONS • 205 E. 42nd St., N. Y. 17 201 N. Wells St., Chicago 6, 1fl. • 1004 National Press Bidg., Wash, 4

### Sales Management

EXECUTIVE OFFICES: 630 Third Ave., New York 17, N. Y., YUkon 6-4800

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ADVERTISING SALES-Offices and personnel listed in Advertisers' Index



Audit Bureau of irculation





Business Publications



Association

SALES MANAGEMENT, with which is incorporated PROGRESS, is published the first and third Friday of every month except in May, July, September and November when a third issue is published on the tenth of the month. Affiliated with still brothers Publishing Corp. Entered as second class matter May 27, 1942, at the Post Office, East Stroudsburg, Pa., ander the act of March 3, 1879. Publication (printing) offices, 34 North Crystel St., East Stroudsburg, Pa., Address mail to 530 Third Avenue, New York 17, N. Y.
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Copyright, Sales Management, Inc., 1960



Purchased 48,176 Advertisements, Catalog Pages and Product Inserts in the 50<sup>th</sup> Annual Edition of THOMAS REGISTER to help American Industry with its job of product selection.

In addition to this vast storehouse of purchasing information, all the products of all known manufacturers in the United States are listed under one or more of the 70,000 appropriate product classifications to provide Thomas Register paid subscription clientele with the accurate, authentic where-to-buy data so essential to their daily production and growth activities.

13,007 ADVERTISERS
48,176 ADVERTISEMENTS

with the help of

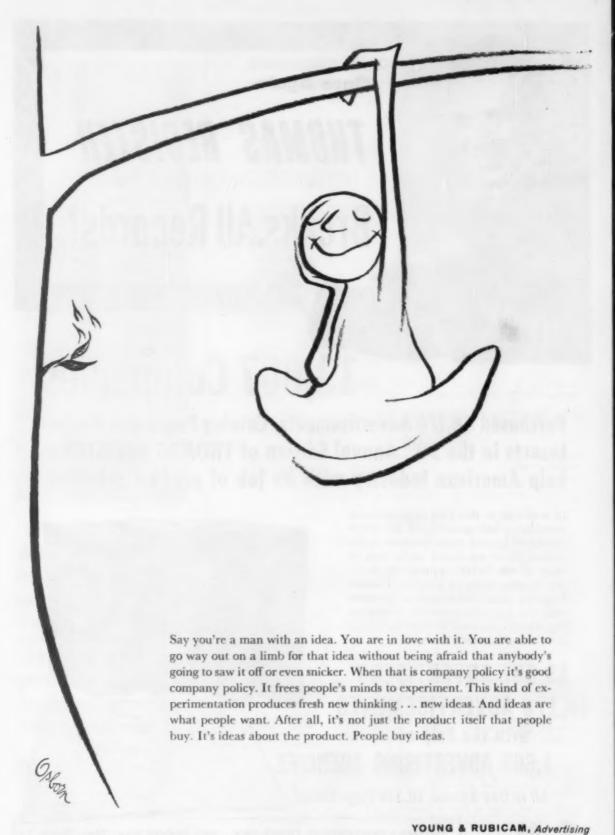
1,662 ADVERTISING AGENCIES

All in One Annual, 10,599 Page Edition





THOMAS PUBLISHING COMPANY • 461 Eighth Ave., New York 1



### -SM

#### 'Can't Compare Apples, Oranges!'

That great salesman, Thomas B. McCabe, draws no salary as president of Scott Paper Co. He is past retirement age. The Scott stock he acquired in the years after he joined his company in 1916 has appreciated fabulously in value, providing adequate income. McCabe has been able to call the shots accurately more often than not. Now he says apples and oranges can be compared. His contention merits respect.

McCabe told the Sales Managers' Assn. of Philadelphia recently that "Scott, like every other larger advertiser, uses all forms of national advertising — magazines, Sunday supplements, daily newspapers, television — spot and network — outdoor advertising, and radio. What is the relative sales effectiveness of these various media? Does anyone know? Is anyone trying to find out?

"The standard answer when this question is asked seems to be 'You can't compare apples and oranges.' Yet every advertising medium, whatever its nature, has only one function, and that is to get a selling message into the minds of consumers and make them act upon it. If each medium has a sales effect, it should be possible to measure that effect. As yet we do not have the methods for doing this adequately."

Tom McCabe's solution is to establish an "institute of marketing communications." He would affiliate it with a university. He would staff it with social scientists and mathematicians recruited from the universities and industry. The institute would provide a course in graduate study.

The conventional reasons why such comparisons cannot be made in the future will not satisfy the Tom McCabes.

#### Should Any Magazine Be 'Supported?'

Advertising is getting more than its usual share of knocks these days. Congress is investigating. The Federal Trade Commission is stepping up its reviewing and monitoring. Associations in the advertising field are being called upon to do a more effective self-policing job. Publications and broadcasting stations are being urged to censor more severely the copy submitted to them. In certain fields, especially in drugs, the charge is made that wasteful advertising practices cause over-pricing of consumer products.

We will believe only when we see more evidence that there is either more chicanery or more w. in advertising than in other phases of business operations; but there can be no ques-



# He may be looking for your product...

IEN is read for only one reason - product information.

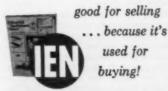
Every month-

- 77.017 men
- · in more than 40,000 plants
- in all of the 452
  - manufacturing industries

read IEN from cover to cover searching for products to solve their problems.

What better place could there be for your product advertising... and what better timing? Your ads in IEN are right at the "point of purchase"... not just with the industries you normally sell but throughout all industry... where new markets are developing almost daily.

And the cost is surprisingly low... under \$200. For despite a recent circulation increase, IEN has not raised its rates. Write for our ninesection Media Data File. It's yours for the asking.



### INDUSTRIAL EQUIPMENT NEWS 461 Eighth Avenue, New York, N. Y.

Thomas Publishing Company



"...citizenship..."



... opportunity ... "



BING CROSBY ...beneficial ... "



U. OF MINN. PRES. J. L. MORRILL "...responsibility..."



"...self-discipline..."



LOWELL THOMAS "...training..."

### What makes a newspaper great?



Each of these distinguished Americans car-

ries a PRESS
Club card issued
by the Minneapolis Star and Tribune. (P-R-E-S-S
signifying: Paper Route Experience

Further, each man had to request his own club membership and each wrote freely and feelingly of the character-molding training and building-for-the-future experience he had acquired in his own newspaper carrier boy days.

Such high-level pride in first-job accomplishments startled everyone but Minneapolis Star and Tribune circulation director M. E. Fisher the man who dreamed up the unique honorary club idea five years ago and has since seen it mushroom to a 5,000-plus membership that includes leaders in virtually every phase of human endeavor (among them a former President of the United States).

As foster-father to 12,000 Minneapolis Star and Tribune carrier salesmen (world's largest daily newspaper carrier force) Fisher's objective was simple: "To attach maximum prestige to newspaper route experience and to heighten public appreciation of the benefits of newspaper route work." Any ex-newspaper carrier for any newspaper was eligible to join. Any other newspaper in the country was welcome to use the idea. For Fisher's faith is strong and simple: newspaper route training plus a good education make the best possible stepping-stones to adult success.

Fisher works hard at providing both stepping stones. Last year 4,000 of his carrier boys deluged his desk with applications for higher-

education scholarships even for the Minneapolis Star and Tribune, whose International Scholarship Program is the largest newspaper sponsored plan in the country. A record total of 98 scholarships, worth more than \$80,000 was awarded through the program and the cooperating schools.

Like most other newspapers throughout the nation, the Minneapolis Star and Tribune are proud of their newspaper carrier boys and are honestly concerned with these boys' welfare and future. This pride and interest is one more reason why these newspapers have earned the regular readership and responsive regard of the people of a 31/2 state region— America's great Upper Midwest.

### Minneapolis Star and Tribune

650,000 SUNDAY . 515,000 DAILY

JOHN COWLES, President

tioning the fact that advertising picks up the check on a number of costs that never should be charged against it.

Advertising is a tool of selling, and if it seems wise for "political" reasons to take a page in a souvenir booklet put out to honor the 50th anniversary dinner for Joe Bloke, the secretary of an AFL-CIO district, there should be a special fund to which it should be charged. It shouldn't be part of a marketing department budget where it means there is that much less available for doing a job in media that effectively reach real buyers.

Then there is the rash of publications put out by associations for their members. Some of them are excellent magazines. Some are sloppily edited. Some of them are rackets. If an association magazine can sell advertising strictly on its merits as to circulation, editorial vitality and reader response, then it should be used, and it is up to private-enterprise magazines in the same fields to come up with better and more effective sales stories. We will pass over lightly the fact that association magazines are tax exempt. Entrepreneurial publishers are more likely to worry about that than are advertisers.

But only too often the chief talking point of the association magazine (and all too often it works) is something like this, "Our association is doing a job that needs doing in your industry, and it is up to you to support us by buying space in our magazine."

Support? Perhaps the association is needed, perhaps it is under-financed. Perhaps yours and other member companies should make larger cash contributions. Then do it. But don't do it by penalizing your advertising budget. Don't dull the overall effectiveness of one of your sharpest selling tools by buying advertising space in any medium that you wouldn't consider as a good medium if it were published independently.

Make it crystal clear to your people that you spend money on advertising for the one and only purpose of creating sales, and that while you will give serious consideration to well-reasoned pleas for greater financial support to worthy associations in your field, that support must never take the form of buying advertising that cannot be justified on the same cold, hard grounds as apply to magazines of non-association publishers.

Many executives have been too easily swayed by these special appeals for donations—especially those coming from good customers. Granted, some of them can't be ducked, but let's segregate them in pigeonholes other than advertising. They could be association expense, development expense, public relations, trade relations—but the term advertising should be restricted to spendings which can be justified as sales producers.

#### Your Exotic Vacation Spots

Take it from Business Week, some of you may be with 29-yearold Mary Hurn on a tiger shoot in India, at an Andes mountain resort in Argentina, or living it up in conventional Paris at this moment. Nice to see so many of you taking winter vacations.



## ... SOURCE FOR FACTS AND FIGURES ABOUT HOSPITALS!!!

On August 1st, HOSPITALS' twopart Annual Guide Issue will be issued. It is the *only* complete authoritative reference for statistical data used in administrative planning throughout the year.

Your advertising message in this publication is read by more hospital people with buying influence than can be attracted through any other publication.

Your product story in HOSPI-TALS' Guide Issue will be seen for a full 12 months by hospital administrators and key personnel who have authority to buy.

#### Remember ...

PUBLISHING DATE: AUGUST 1st CLOSING DATE: JUNE 1st

Send for folder
"To Reach the Decision Makers"

#### HOSPITALS

Journal of the American Hospital Association 840 North Lake Shore Drive Chicaga 11, Illinois

Please send details on HOSPITALS'

☐ Display Advertising
☐ Classified Product Listings

State\_

HOSPITALS

840 No. Lake Shore Dr., Chicago 11, III.
Journal of the American Hospital Association



### .. and all of a sudden-what a beautiful difference

HAVE YOU SEEN THE NEW AMERICAN HOME? For months an exciting evolutionary process has been quietly going on...and suddenly the new American Home is a reality. Bursting with color, aglow with brilliant photography, crammed full of fresh, usable ideas, American Home is the home-service magazine of the new decade. Every issue is filled with useful information on meal planning, decorating, building, remodeling and gardening. The new American Home devotes a greater share of its pages to home-service features than any other major medium. 12 million men and women read it to learn how to make home a more rewarding place to live. There is no better setting for selling in the Sixties.

Get to know the new American Home—A Curtis Magazine



## SALES CONSULTANT SALES TRAINING SPECIALIST SALES PROMOTION EXPERT

Would you be interested in adding a highly profitable and noncompetitive line to your present activities?

Your business, like ours, depends on bringing to your customers and prospects new ideas continuously. And ideas that are aimed at increased sales and profits receive a "both ears" type of hearing from them.

Ours is such an idea—it is a Sales Development Program and it will help even their top performing salesmen to increase their sales potential.

Under a new selling policy in our company, openings are available in many of the States and the fullest guidance of our State Managers will be given to those joining with us.

This work will be found to be a "natural" for those who are experienced in the selling of ideas to top executives, and will be found to be a very lucrative assignment by such men. No investment is required, of course.

We are proud of the enthusiastic endorsements of so many national organizations who have used this project year after year. Our sales representatives are equipped with this evidence.

To quote from just one of these—Mr. Gordon Bain, Vice-President of Northwest Airlines, Inc., writes: "We believe your program helped to make 1958 a record year for Northwest Orient Airlines."

We shall be very glad indeed to give you further information and will ask that you, in writing us, give us the background of your experience in this specialized field of Service selling.

#### JOSEPH LUCHS AND STAFF 6701 N. Broad Street Philadelphia 26, Pa.

#### CORPORATE CLOSE-UP

#### Cott's Big Giant Cola— Once Again, More for Less



A good old idea often has more application to current marketing than a so-so new idea. Cott Beverage Corporation's bid for a place in the huge cola market with Big Giant Cola employs the simple method used by Pepsi-Cola 25 years ago—"more for your money." The Pepsi story is a legend in marketing. Now, with the slogan of "one-third more," Big Giant Cola is repeating marketing history.

Back in the thirties, Pepsi used old beer bottles with new paper labels—they were available and cheap—hence, the 12-oz bottle. In the depression period this was a real bargain, and it worked. John J. Cott, president of Cott, learned that today's advances in glass manufacture permit a larger bottle with more durability for less weight in glass. Big Giant's 16-oz. bottle, selling for the price of a 12-oz., becomes economically feasible.

"There is another marketing angle that makes the bargain price timely," says Albert A. Cott, executive v-p and director of sales. "Our business is 75% in super markets. The housewife, faced with the problem of stocking the refrigerator for today's larger families, will buy a quality cola at a lower price, repeatedly, we know. Besides, the super markets, with their private labels, have done a lot to kill the bugaboo about only one or two brands of anything.

"We don't even have Big Giant tied to the Cott name, publicly. This permits bottlers with competing flavor drinks to take on Big Giant franchises—especially the bottlers of 'up' drinks."

What does Pepsi-Cola say about all this? According to a company spokesman, "We're watching it closely. It may be OK for super market sales."

Soft drink industry sales are divided between 70% cola and 30% flavor and mixer drinks. Bottlers are anxious to get a franchise of a nationally promoted cola. Cott, with sales of \$10 million in 1959, is shooting for \$12 million in 1960. A larger share of the cola market is expected to help reach this goal. (Coca-Cola sales in 1958 were \$309 million and sales of Pepsi-Cola, \$137 million.)

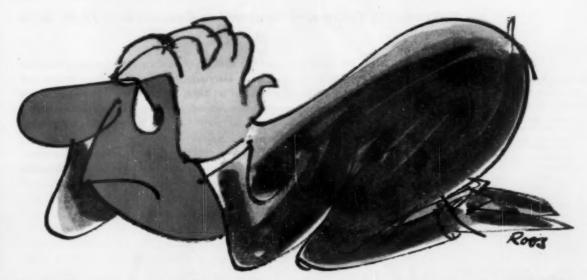
Cott prides itself on knowing what it takes to sell soft drinks. It places heavy emphasis on P-O-P material at cost or less to bottlers, and lots of premium offers, plus a national sales force (bolstered by the 1956 acquisition of Mission of California, Inc.). Advertising is largely local, mostly in newspapers and radio spots. Cott spent \$1,705,000 for advertising in 1959 and plans \$2 million for 1960.

Big Giant was introduced in New Orleans after taste tests convinced the company it had a top cola. Sales and repeat business were immediately gratifying. While 100,000 cases for the first year (beginning in late 1958) would have been convincing proof, the bottler actually sold 600,000 cases. New Orleans is a Deep South, year-round market with stiff cola competition.

Cott now has over 70 bottlers of Big Giant throughout the country, and expects 150 by the end of 1960. Within five years, riding the sixties' population wave, Cott sees 1,500 bottlers of Big Giant, worldwide. National distribution is somewhat simplified for Big Giant by the Mission bottler setup—natural Big Giant potential.

"Bottlers have a heavy investment in glass," explains Al Cott.
"They want to make this investment in a drink with the right acceptance. We have that. Big Giant is distributed in every super market chain except one, and in most independents, in the New York area."

#4 perils
of an advertising
decision maker



#### HE COMPUTED COST PER THOUSAND BUT FORGOT LOST PER THOUSAND

This ad man's headache is a whopper! He did all right by figuring cost-per-thousand of readers reached by "general interest" media. But by failing to figure "lost-per-thousand" of readers not interested in his client's product, he wasted precious dollars that could have been invested in Hearst Special Interest Magazines.

### **HEARST** magazines

Popular Mechanics • American Druggist • Town & Country • House Beautiful • Motor • Science Digest Motor Boating • Sports Afield • Bride & Home • Harper's Bazaar • New Medical Materia • Cosmopolitan

# the most DYNAMIC ATTRACTION

a show ever had!

### at the 1960 PHILADELPHIA

42nd NATIONAL METAL CONGRESS & EXPOSITION

Philadelphia Trade and Convention Center · Oct. 17-21, 1960

#### EXHIBITORS FROM ELEVEN METALS AREAS

- Ferrous Metal Producers
   and Distributors
- 2. Nonferrous Metal Producers and Distributors
- 3. Related Engineering Materials
- Related Engineering Materials
   Nuclear Materials and Equipment
- 5. Tool Materials, Cutting-Off
- and Forming Equipment

  6. Industrial Heating Equipment
- and Supplies
  7. Cleaning and Finishing Equipment
- and Supplies

  8. Welding and Joining Equipment
- and Supplies
  9. Testing, Inspection and Control
- Equipment and Supplies
- Production and Casting Equipment and Supplies
- 11. Parts, Forms and Shapes for Design and Applications

Exhibitors at the Philadelphia Metal Show will gather their customers and prospects from the broad metalworking industry, including automotive, aircraft, appliance, ordnance, farm machinery, electrical machinery, instruments, and miscellaneous metalworking manufacturers... creating a thriving, effective, profitable market-place. If your potential for sales lies in any of these areas, the Metal Show should take priority in your sales plan for maximum impact in the Soaring Sixtles.

Floor Plan Folders are now available for complete information, consult the ASM representative nearest to you, or write direct.

NEW YORK — Oxford 7-2667 CLEVELAND — Jordan 4-2271 (Nevelty, Ohio)

CHICAGO - WAbash 2-7822

Steel, the sinew that binds the strength of America, will serve as a magnetic attraction to call attention to every area of metals technology, ferrous and nonferrous, at the most metallic of all Metal Shows — the 1960 Philadelphia Metal Show, now blue-printed and ready to grow into its full dimensions.

This new emphasis on the essential metals of industry reflects a growing specialization . . . a focusing of attention . . . to yield a greater benefit. In the evolution of the Metal Show, the time for such refinement has come.

Now it is possible to achieve a concentration on materials that is unsurpassed anywhere for an intensive person-to-person interchange of information. The STEEL ARENA is the threshold to a whole new world of metals within the exhibits and technical sessions.

The pre-eminence of a Metal Show of these dimensions is worth your

MAKE PLANS NOW
TO EXHIBIT AT THIS GREATEST OF ALL METAL SHOWS!

closest consideration as an exhibitor - you are invited to share its

benefit in any of the eleven areas of metals listed.

AMERICAN SOCIETY FOR METALS

Metals Park . Novelty, Ohio



... a benefit to every exhibitor

### METAL SHOW

Thems Symbol ... towering above the colorful, idea-full STEEL AREA, an exciting presentation that will adulate the state of the state o

# Sales action for advertisers in the WGAL-TV

Channel 8

MULTI-CITY MARKET



Extensive coverage is only one facet of the WGAL-TV story. For instance, ARB and Nielsen show that the WGAL-TV audience is greater than the combined audience of all other stations viewed in the area. Too, the WGAL-TV multi-city market, America's 10th, is outstanding for prosperity and stability, as evidenced by its coverage figures. You can count on sales action when you advertise on WGAL-TV.

WGAL-TV Channel 8 Lancaster, Pa. **NBC** and CBS

STEINMAN STATION Clair McCollough, Pres.

Representative: The MEEKER Company, Inc. New York - Chicago - Los Angeles - San Francisco

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### Clerks Aren't Selling? Don't Worry!

The much lamented drop in the quality of retail selling may actually be a break for marketers of many types of department and specialty store goods.

This decline has paved the way for the full-scale entry of self-service into the non-foods fields.

Naturally, many marketers are wondering if selfservice can ever take the place of the good oldfashioned sales clerk who could turn an inquiry into a sale and turn that sale into the further sales of a bushelful of related items. For many, many products, it can indeed.

The experience of the food marketer proves this. He now has almost complete control over his product, even in the store. Here are just a few of the ways in which he benefits from self-service.

- The product is displayed to gain top value from packaging. Impulse sales often soar; valuable tie-ins with advertising are easier.
- Because most super markets are built along similar, functional lines, there is seldom a strong store image to interfere with a carefully built product image.
- The product can be picked up, examined at the customer's leisure; built-in selling features are noticed.
- Disadvantages of personal selling are eliminated; the customer's fear of displaying ignorance, reluctance to browse, fear of taking too long are removed.

But one major headache arises with self-service: the practice of "bribing" store operators with allowances, favors in return for favorable display locations. Even so, it is highly doubtful that many grocery marketers would return to dealing with the "mama and papa" store if given the chance.

And there is nothing about self-service that limits it to groceries.

#### **Self-Service: Coming Fast**

When will self-service be ready? Has this form of merchandising gained wide enough acceptance for non-foods to fill the already huge gap left by the demise of the hard-sell clerk?

Maybe not completely . . . but it's coming fast. So fast, in fact, that the Bureau of Advertising of the American Newspaper Publishers Association predicts that by 1965, fully two-thirds of all retail sales will be self-service. Right now it is big enough for the marketer to jump into with special marketing tactics.

Self-service for general merchandise is coming on fast from several directions. Most important among them are:

• "Discount" department stores. Once considered a minor marketing irritation, these outlets have enjoyed a phenomenal growth which has brought them into highly significant positions in a little over ten years. Frank Meissner of the Stanford Research Institute reports that in 1960 "Several discount chains will be in the \$250-million (annual sales) league. Probably one or two will be reporting half-billion sales."

As these outlets grow and mature, they tend to assume many of the more "respectable" trappings: nicer stores, more liberal return and credit policies. As their original "low, low" overheads increase, they will have to put even more emphasis on the features of self-service: higher sales per square foot and faster turnover.

- Department stores are searching feverishly for ways in which to compete with the discounters. They are realizing that the only way to compete on price is to pare services to the bone, employ cost-cutting techniques such as self-service.
- The "super general store" is the latest and fastest growing self-service outlet for non-foods. These grocery chain-operated, all-under-one-roof extrav
  (continued on page 18)

aganzas are typified by Grand Union's "experimental" Grandway centers.

Fourteen of these giants have been built already—and nine more are planned for fiscal '60. These Grandways, most of which are of the 100,000-square-foot size (20,000 food, 80,000 non-food), contain as many as 35,000 non-grocery items. There is some limited clerk service and a few wrapping counters, but the overwhelming emphasis is on items that can be placed in the market basket and checked out with the food.

Other chains, too, are jumping on the bandwagon. One chain, Dilbert's, recently bought two variety stores to give its buyers, merchandisers, a chance to warm up for several planned Dilbert 100,000 square footers.

• Not all grocery chains are engaged in such shenanigans. But even the very conservative chains are stepping up the number and variety of non-foods offered. Example: Stop & Shop was by 1958 gathering 10% of total gross profit from nonfood items that are not traditional groceries.

In spite of this surging trend to self-service, a quick trip through any of these outlets shows that surprisingly few of the marketers represented have made an effort to take advantage of open display.

Yet, as more and more marketers begin to orient their plans to self-service, and as more and more retail outlets become hypersensitive about sales per square foot and rate of turnover, competition among marketers will be thick and furious.

A product only gets one chance to make good in this type of selling; if it fails, there are seven more waiting outside for a chance.

#### Changes That Must Be Made

What, then, must the marketer who is used to selling through clerk service do to assure his product a place in the self-service scheme?

Here is a list of a few of the more common requirements of mass-merchandised products. Clearly, not every point can apply to every type of product:

1. Build the brand name: Any product that can

possibly be branded and pre-sold should be. Non-foods merchandisers will prefer branded items for a few years at least. The reason: Consumers find quality of most non-foods difficult to judge, and must lean on brand names when store reputation is weak. Consequently, the food marketer's private-label headaches will probably not creep into non-foods until stores are strong enough to create wide lines of well promoted private-label merchandise.

- Advertising and promotion should be stepped up to pre-sell the self-service customer. P-O-P material is usually limited to promotions on the package, very occasional large floor displays. Counter cards are largely out.
- 3. The package must be: designed for visual impact, particularly when displayed among competitors; crush-proof; identifiable from all sides; easily price-stamped or pre-tagged; easily stacked; difficult to deface or dirty. Many items never before packaged should be packaged for self-service.
- 4. The shipping carton should be: labeled on all sides, easy to open, designed to expose as much merchandise for stamping as possible when opened, extra strong and easy to handle, decorated as a floor display or take-home carton.
- 5. Distribution systems may need to be reorganized to provide instant delivery, especially in suburbs where many of the new units are located. Weekend problem will be increased, as Saturday is often disproportionately heavy and many stores are open Sunday.
- Labeling of products must contain complete information, instructions for use.
- Company-run service facilities must be established for use by consumers, as stores will offer no such facilities.

There are many other needed changes. And some products will take longer than others to be accepted by self-service. But few are really out of the question—after all, there were plenty of smart merchandisers who said the housewife would never buy self-service, pre-packaged meat!

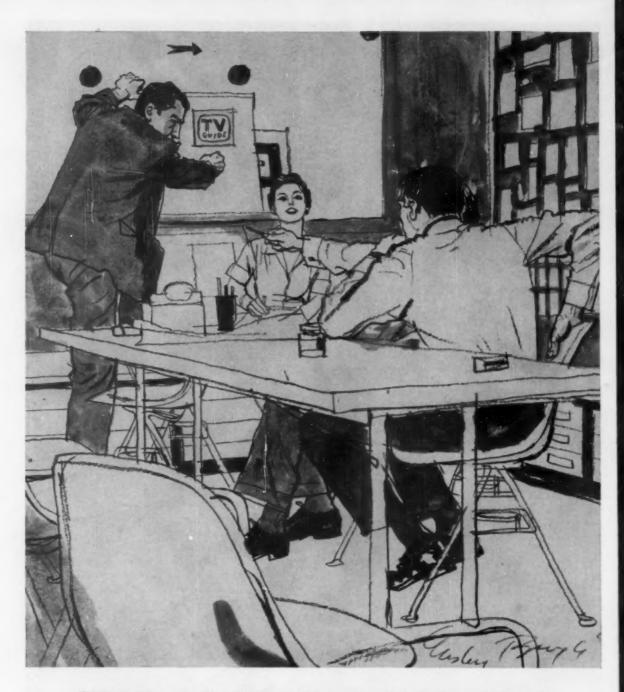


Millions of women have come to rely on the tag you see here for information on how all kinds of products will perform at home. That's why McCall's USE-TESTED TAG—with its clearly stated, easy-to-read facts (based on tests under laboratory and home-use conditions)—helps clinch sales in every product category.

Like the recommendation of a trusted friend, McCall's USE-TESTED symbol on any product becomes the point-of-difference...the competitive edge ...at the moment of buying decision. Good reason why more and more manufacturers and retailers are putting this silent salesman to work.

Manufacturers can learn how their products can be aided by the USE-TESTED Program by writing to: McCall's, Dept. HP, 230 Park Ave., N. Y. 17, N. Y.

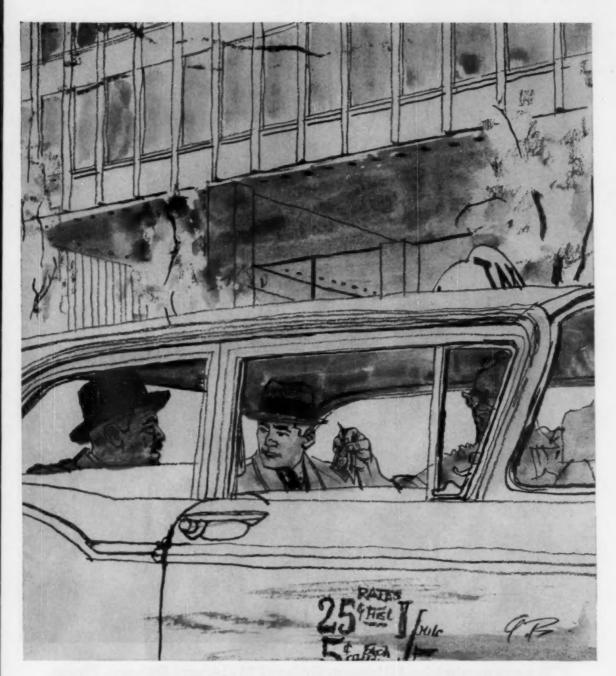
66 WE USED IT AND WE LIKE IT?



"TV Guide was the first weekly magazine to top 7,000,000—and they're over by a quarter of a million"

With circulation surging ahead, TV Guide's 1959 guarantee climbed to 7,250,000. Two new editions were added (Arkansas, Arizona-New Mexico), bringing the total to 53. Here, in the nation's top circulation weekly, advertisers also find the most realistic regional flexibility, and the most efficient cost per thousand (\$2.00) rate structure in the publishing field.





"Show me a magazine that can increase its advertising revenue 46% in one year, and I'm interested"

No magazine's advertising revenue goes up almost half again in a year without good reason. TV Guide delivers results to its advertisers—that's why it was able to rack up a 46% increase last year, the greatest percent gain of all weekly magazines. Advertising growth is a prime measure of advertising value, and TV Guide's gains are proof of value received.



America's best-selling weekly magazine...circulation guarantee 7,250,000



"When people like Pillsbury, General Mills, and General Foods move into TV Guide, I say we belong there too"

Many new major advertisers marched onto the pages of TV Guide in 1959. Frequently they proved the magazine's pulling power with keyed offers. The long list of newcomers includes names like Johnson & Johnson, Rinso, General Electric, Jell-O, Chase and Sanborn, Baker's Coconut, Campbell Soup Co., Nescafé, Swans Down, Pillsbury, Southern Comfort, Campana, Raytheon, Birds Eye, General Mills, Smith Brothers, Ronson Corp. Join this fast-growing group of blue-chip TV Guide advertisers.



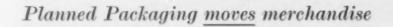


"It's not hard to explain their success—the need was there, and they did something about it"

TV Guide is television's authoritative voice, in color and in print. With its accurate and detailed program information, skilled reporting, thoughtful editorial commentary, and roster of important contributing writers, TV Guide fills a basic need for the millions of selective television viewers. As a result it has become as much a part of the American living room as the TV set . . . and America's best-selling weekly magazine by far.



America's best-selling weekly magazine...circulation guarantee 7,250,000

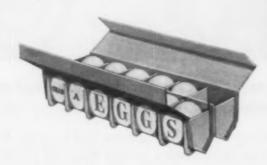


#### Ever play catch with an egg?

If you have, you'll appreciate the terrific protection job egg cartons perform. And they're marvels of packaging ingenuity, too! Just one quick pull on the flaps of this new Form-Fast carton and it snaps open, exposing seven partitions locked in place, ready to cradle a dozen eggs. A simple push closes and locks it again. Resultant filling line savings greatly reduced costs last year in the egg industry... helped hold down your family food budget, too!

Creative, cost-saving carton design is but one of countless ways in which Packaging Corporation of America's concept of Planned Packaging, implemented through integrated national facilities, produces better packaging... more sales.

Whether your requirements are large or small, regional or national, we welcome the opportunity to help you.



### Packaging Corporation of America

Administrative Offices: Grand Rapids, Michigan; Quincy, Illinois; Rittman, Ohio

Cartons · Containers · Displays · Egg Packaging Products · Molded Pulp Products · Paperboards

24 Sales Management February 5, 1960

#### anti-slump bandwagon

Your January 1 "Summer Slump" issue reminds me of other remarks I've heard over the years.

As I see it, the manufacturer looking for reasons not to advertise can always find plenty. Depending on who his customers are, and on his own predilections, he can say:

1. Nobody is at home in the summer.

2. Everybody is too busy in the summer to read.

It's too cold to do anything after Thanksgiving.

4. After Christmas, business has to have a breather.

Everybody is in Florida or California for the winter.

6. At any season, let's wait until the dust settles.

And then, of course, there's tight money.

J. W. Parshall

Vice President and Executive

Editor Building Supply News Chicago, Ill.

Congratulations! Your January 1 issue is timely. I have been planning since last summer to increase our sales activity this year to prove that the July-August slump can be avoided.

SM is an effective marketing course for me.

James I. Leabman

Marketing Manager, Eastern Div. Computer Control Co., Inc. Framingham, Mass.

... Brother, am I glad that someone has finally decided to scream about the "summer slump" myth. Last summer our "Santa in Summer" promotion hypoed sales all over the place, and as a result last July was the largest month KLFY-TV ever had.

We salute you.

**Guy Corley** 

General Manager KLFY-TV Camellia Broadcasting Co., Inc. Lafayette, La.

Congratulations on a great issue designed to start the year off right.

Good journalism, real fact-finding reporting, and a great boon to businesses large and small throughout the nation.

We were greatly impressed and plan now to conduct a pilot campaign based upon the articles and information contained in this issue.

Your greatest reward for an excellent job lies in the motivation generated by the special issue we'd like to help you out to the fullest extent here in this vital corner of the world.

Omer J. Shively Jr.

Advertising Display Dept. The News-Journal Wilmington, Del.

. . . My congratulations for the publication of a fine issue.

Tom Adams

President Campbell-Ewald Co. Detroit, Mich.

. . . I don't see how you could possibly have done a more complete or convincing job than you did, and I predict that this issue will jar a good many people into taking a second look at this subject.

Doug Lawder

Advertising Manager The New Yorker New York, N.Y.

We were quite impressed with the cover on the Jan. 1 issue, "The Prospect Never Really Gets Away," and it seemed like a natural to use in a brochure we are planning to promote specialties for use during the hot months of the summer.

Can we have permission to use the copy of the cover—in fact, the entire front—to emphasize the fact that Sales Management magazine is actively promoting this idea of building summer sales?

Charles G. Howe

Chas. G. Howe Advertising Specialties Syracuse, N. Y.

► SM-happy to give reader Howe the requested reproduction rights



# one call gets you into 87 markets

deliver goods cheaper—sell more with finest, most efficient public warehouses and distribution services through the

#### AMERICAN CHAIN OF WAREHOUSES, INC.

One contact with one of our experienced representatives channels your special warehousing needs into all 87 major markets in the U. S.! Here's what on-the-spot stocks in these strategically located markets offer you:

- convenient locations near your customers and mobility to help you meet the market's fluctuation
- speedy order filling with credit list reference provides better customer relations
- shortens delivery time and reduces labor costs due to modern mechanized handling equipment ... cuts hours of correspondence increases sales

GET DISTRIBUTION COSTS FROM ANY CHAIN MEMBER OR FROM:

#### WESTERN AREA:

Contact Henry Becker, 53 Jackson Blvd., Chicago, HArrison 7-3688

#### EASTERN AREA:

Contact John Terreforte, and share in the Golden '60s. YUkon 6-7722. Write 250 Park Ave., New York.





# lease fleetcars from HERTZ



Let Hertz Car Lease Service take the gripes out of your sales fleet. Hertz will provide new Chevrolets or other fine cars (compact cars, too), handle all repairs and maintenance. You reduce accounting problems to the writing of one budgetable check per month. With Hertz, you have the nation's most experienced car lessor doing all the work!

For more information, mail this coupon!

I. F. RYAN, VICE PRES.	NAME
THE HERTZ CORPORATION	POSITIOH
24 N. WABASH AVE., CHICAGO 4, ILLINOIS DEPT. SM-25	COMPANY
Please send me your illustrated book- let, "Who Should Lease Cars and	ADDRESS
	CITY & STATE
Who Shouldn't."	NO. OF CARS OPERATED

-is pleased to see members of the advertising field hop on the antisummer-slump bandwagon.

#### Irish toast

Congratulations on your colorful article about summer drinking ["Summer Ad Readers Write to Prove They Also Drink," p. 57] in the Jan. 1 issue. Here's hoping that 1960 will be a good summer for Madison Avenue and "Irish."

**Donal Scully** 

Director The Irish Export Board New York, N.Y.

#### anonymous

I have a reputation in some areas as a writer of cynical verse. The following refers to the last sentence in your editorial headed, "He May Be Your Man" [re the desire of students of Harvard Graduate School of Business Administration for frequent contact with management] in the Jan. 1 issue of SM.

Their wish is ambitious, these two hundred odd:

To achieve something more than the President's nod. They might find success if

They might find success if they work things out right, And end up someday where he bids them "Goodnight."

"Post-grad"

Director of Marketing Research and Advertising

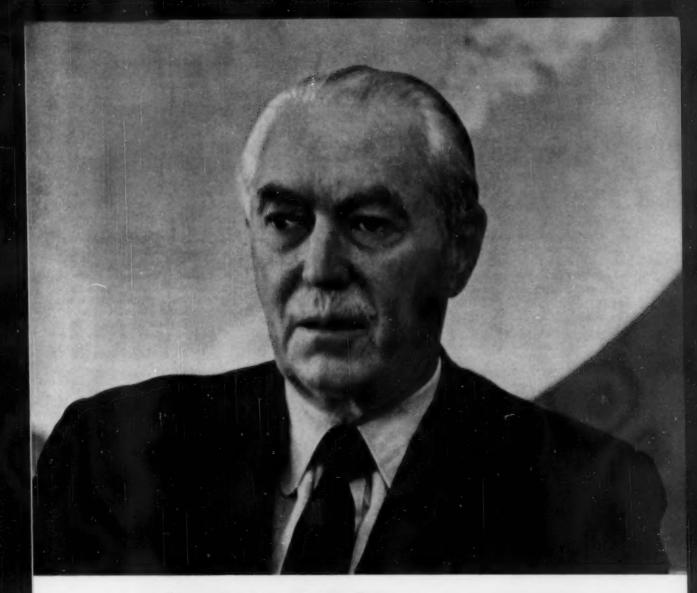
#### Red Motley story

The other day I ran into some young executives from General Foods at the theater. They had read the Red Motley story in Sales Management ["Red Motley Talks about Alcoholism," Nov. 20, 1959] and they had obviously read it well enough to realize that it was more than the story of a guy who quit drinking. They were aware of the fact that the principle of "total commitment," which I had tried to get across in that article, was important in any field, including business.

If you have this kind of young, upcoming executives reading Sales Management, you've got a damn good audience. Congratulations.

Arthur H. (Red) Motley

President Parade Publications New York



# impression

"Impression is often the balance-point between growth and stagnation. With a broad product line for petroleum and other major industries, we find it most efficient to operate through independent divisions. They benefit directly by our advertising in the leading business publications covering Dresser markets. The total impression of all this advertising creates our desired over-all corporate identity." John B. O'Connor, President, Dresser Industries, Inc.

IMPRESSION—Consistent advertising helps create key men who pay to read McGraw-Hill publications. help your salesmen close orders.

By concentrating your advertising in one or more of and maintain a favorable impression of your company the McGraw-Hill publications serving your major maramong prospects for your products and services. In kets, you establish an identity for your company . . . today's leading growth industries, more than 1,000,000 create preference for your products and services . . .



#### no other car in America offers so many ways to save fleet dollars!

Corvair
BY CHEVROLET

The plain truth is this compact new Corvair couldn't make better business sense if fleet buyers had built it themselves. It saves in all the ways you expect a compact car to save—with an engine that works small miracles with mileage, with effortless handling that eliminates the need of power assists, with short, sweet dimensions that require less garage space. And, besides all these, it saves in ways no compact car in America

ever saved before—no antifreeze, no radiator leaks, no coolant to flush, to name just the benefits of air cooling alone. Your dealer's waiting now to take your order for the car that's made to order for fleet buyers!

Saves on Maintenance — Advanced engineering simplifies Corvair's design, allows easy access for servicing. With Unipack power team, for instance, engine, transmission, clutch and differential come out quickly as a unit. Less downtime, lower maintenance costs.

Saves on Extra Equipment—Corvair's effortless handling eliminates need of power assists. For salesmen carrying samples, fold-down rear seat adds economical cargo space.

Saves on Gas—Gets 25 to 40% more miles on a gallon of regular than conventional 6-cylinder cars,

Saves on Garage Space—Takes 85 sq. ft. less space. In fact, the space ratio is 7 Corvairs to 5 conventional cars.

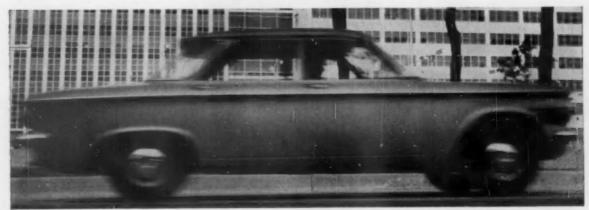
Saves on Replacement Parts—Compact construction reduces replacement cost. Air-cooled rear engine simplifies driveshaft and exhaust systems, eliminates liquid cooling system.

Saves on Insurance Costs — With Corvair's low list price you get the benefit of low insurance rates (fire, theft, etc.). And Corvair's low weight lowers the license fee in most states, too.

Saves on Tires—Corvair's low weight (2,375-lb. curb weight for standard model) means long tire life, and with smaller sized tires (6.50 x 13) you'll save on replacement costs, too.

Saves on Antifreeze—Corvair's Turbo-Air 6 never needs antifreeze, never requires flushing, never develops cooling complications like radiator leaks or cracked cylinder block.

Saves on Price—Price, in fact, is the most practical thing of all about Corvair. Check your dealer for the details... Chevrolet Division of General Motors, Detroit 2, Michigan.



Corvair de luxe 700 4-Door Sedan.



Fold-down rear seat for extra storage.



Fuel stops are few and far between.



A honey to handle, a pleasure to park.

Rear engine's designed for easy servicing.



packages for performance

# DOBECKMUN

Dobeckmun custom polyethylene bags have helped hundreds of products capture the feeling of special goodness so important to modern merchandising strategy. Vital to their effectiveness is Dobeckmun design and printing skill that creates the fresh, clean image that lends a mark of quality and endows with saleability. Put DOBECKMUN packaging skills to work for your product, with packages for performance from THE DOBECKMUN COMPANY, A Division of The Dow Chemical Company, Cleveland 1, Ohio • Berkeley 10, California • Offices in most principal cities.



# GREAT DAY IN THE MORNING!

All Fall, sold-out signs were going up for the astonishing morning lineup on CBS Radio. Now see what we've done. To provide advertisers with an exciting new sales opportunity, and to make the morning stronger yet, we're bringing in

#### BING CROSBY AND ROSEMARY CLOONE

starting February 29th.

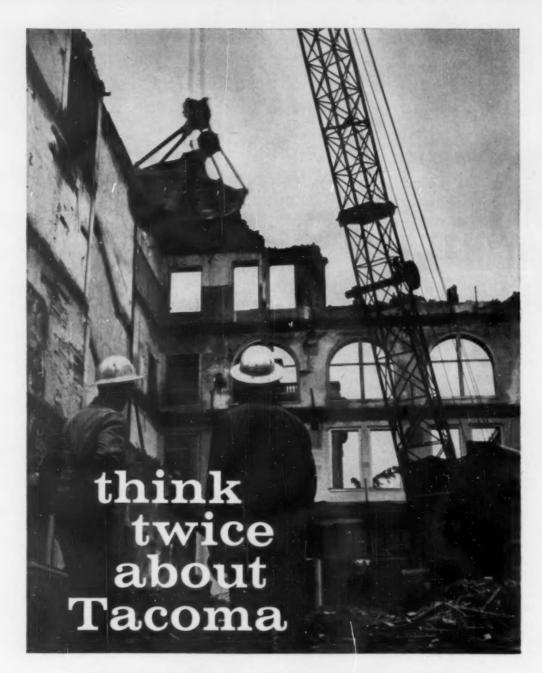
It's twenty engaging minutes of songs and conversation and comedy by a pair who, as they say, need no introduction,

And it comes as the icing of the cake. Here's the finishing touch in a morning sequence which also ("also"!) includes Arthur Godfrey, Art Linkletter and Garry Moore, Monday through Friday.

Quite an invitation to listeners.

Quite a place to tell your story -or have Crosby, Clooney and Company tell it for you—on the

CBS RADIO NETWORK!



#### where things are happening to keep business good . . . and make it better!

down. In its place rises a modern drive-in facility for National Bank of Washington. Just one more example of the fact: things are happening in Tacoma to keep business good, to make it even better (and it's mighty good right now!).

Another Tacoma landmark comes So, when you're planning a promotion -think twice about Tacoma. First, as a separate metropolitan area, vital to the total economy of the Puget Sound Circle. Second, as a market that can not be covered by any outside newspapers. Proof? Ask the man from Sawyer-Ferguson-Walker.

The TACOMA NEWS TRIBUNE now delivering more than 85,000 daily



#### -5/1/-

FEBRUARY 5, 1960

#### How to Sell Your Ad Budget To the **Board of Directors**

Are boards getting tougher as budgets for ad programs grow larger? Reports show that more working directors and top management want answers on ratings, cost per thousand, tie-ins. Marketers must show them.

> By LAWRENCE M. HUGHES Senior Editor



he assignment was: "How to sell the ad-vertising budget and program to top management and/or the board.

But selling must condition the prospect to buy

The prospect needs to be "edu-

In the process, the seller should learn all possible about the prospect, his problems and ways of thinking.

If top management should know more about advertising, surely marketing and advertising managers should know more about top-man-

Men who guide corporations tell SM that they will buy the advertising budget and plan when these are developed and presented on a business basis-in which all factors are weighed in terms of corporate profit and growth.

An advertising program that may cost as much as the stockholders make in dividends must prove that it can pay them more.

A president is preoccupied with the smooth and effective gearing of various corporate functions and forces: finance, law, research and development (or engineering), manufacturing, relations with several important groups, marketing and advertising. Each function may be directed by

a special pleader for it.

The president strives not to fall prey to any of them.

But, though he should have a working knowledge of each function, his own experience and leanings have taught him more about some, and may have prejudiced him against

And pleading that is too eloquent, and seems too irresponsible, only strengthens prejudice.

The effects of advertising cannot be measured as exactly, and as fast, as those of a new machine in the factory. The "manufacture" of interested prospects and then of customers, takes a lot of carefully planned and consistent persuasion.

This investment can promote far bigger dividends. But it will be approved faster by a board or management committee (composed largely of lawyers, controllers and engineers) when it is not oversold-when the reasons for it are presented simply and logically to fit corporate aims, and the hoped for results do not sound like blue-sky ballyhoo.

Especially, advertising budgets and programs will meet surer approval as boards and top managers are consistently and constructively conditioned to advertising.

Today, in many companies, the preparing and presenting and re-preparing and re-presenting of the next year's budget and plan may take four

to six months.

But the creation and development of a corporate climate for advertising is a full-year and every-year undertaking.

In such a climate-with more learning and understanding on both sides and throughout the company-marketing and advertising managers will find top management ready to buy business-built programs.

(continued on next page)



#### How to Sell Your Ad Budget to the Board of Directors (continued)

#### Cyanamid's 'General Staff' Buys Pre-Proved Corporate Campaign

On the strength of a lot of preproving in 1959, the "general staff" of American Cyanamid Co., New York, approved a new type of corporate advertising program for 1960.

The \$889,206.89 budgeted for this "umbrella" program is expected to play a major role in supporting the combined \$18-million advertising efforts by the ten product divisions to expand Cyanamid's volume from last year's \$550 million.

For two decades a previous corporate series stressed one product line at a time. The new series emphasizes the company's creativity and diversity by presenting several products, in ads-

within-an-ad, at one time.

Last April, Erwin Wasey, Ruthrauff & Ryan was picked-from among the five agencies then and now engaged in Cyanamid advertising - to work on the corporate account, formally effective last July 1.

Also last April, William A. Durbin, public relations manager, and T. M. Wennergren, in charge of advertising, gave tentative approval-pending copy research-to a test of multiproduct approach recommended by EWR&R.

Results of this test and the idea of the multiproduct campaign were presented to the general staff in June. It was then agreed to run a double spread surrounding a 4-page Dutch door insert in the September 26 Saturday Evening Post. The Post ad would be the start of a fall series in several magazines.

Findings from the initial ad were presented to the general staff in October by A. B. Clow, v-p for marketing, and Gen. A. C. McAuliffe, v-p for personnel and public relations. On the strength of these, "staff," headed by President W. G. Malcolm, gave the campaign a go-ahead through

For the "general public" and such special groups as medical, financial and agricultural, the campaign was planned to meet six objectives: "(1) To identify Cyanamid as a large, progressive, friendly company, and (2) as a highly diversified company; (3) to



SATEVEPOST SPREAD with Dutch door inserts lead off fall series in several magazines in campaign to identify Cyanamid with products, build corporate image.

show that Cyanamid, through its products, is benefiting the public; (4) to associate Cyanamid with its products; (5) to support Cyanamid products; and (6) to create outstanding advertising."

Findings in a "corporate image" study showed, among other things, "widespread lack of knowledge about Cyanamid." The public knew little about the company's wide range of products and their usefulness, did not relate the company to its products or the products to each other.

The initial Post spread was to be headlined, in black: "CYANAMID-LAND: where chemistry's magic makes more than 6,000 products for you." The Dutch door half-pages (in blue, then purple, two shades of green, yellow and finally red) were to be separate ads for Formica wall tile, Aureomycin animal feed additive, Melmac melamine dinnerware, Creslan acrylic fiber, Gevral vitamin-mineral capsules and Cyasorb light ab-

After the big Post opener, the fall campaign ran in page space in the Post, Business Week and U. S. News

& World Report, and large insertions in Barron's Weekly and The Wall Street Journal.

Added to this list, for 1960, are Life and the Journal of Commerce.

"Prime targets for Cyanamid advertising," EWR&R told "staff," are:

"1. Managers, executives and own-

ers of U.S. business.

"2. Professional and semiprofessional men - including not only doctors, dentists, engineers and chemists, who influence the purchase of Cyanamid products in quantity, but also lawyers, editors, architects and others . influential in their community.

The program should also reach "families whose income is over \$10,-

Starch and Trendex sought reader

Cyanamid's scores were compared with those for an eight-page Corning glass ad in the Post for June 1, 1957. Trendex gave the Coming ad 59% "recall" and 61% "idea registration," and the Cyanamid ad 40% recall and 82% idea registration.

Starch did not measure the Corning ad as a whole. Among men, however, Starch found the "noting" range among the three spreads in the ad between 36 and 46%, and "read most" between 12 and 15%. Among women, the noting range was between 37 and 40% and "read most" 5 to 7%.

As for Cyanamid's: 44% of men noted and 6% read most, and 51% of women noted and 8% read most. Generally, among men, Cyanamid's noting was about the same as Corning's, but its "read most" less than half as high. Among women, however, Cyanamid's noting and reading both were well above Corning's.

EWR&R appended to its report a lot of direct quotations from people interviewed by Starch and Trendex.

These findings persuaded Clow and McAuliffe that a full-scale program on this approach (with some minor revisions) would meet Cyanamid's objectives. They took the revised version to "staff," and got approval.

In the process, it is said, Cyanamid's top management made a more informal decision than ever before.

Headquarters is "merchandising" the new approach with dividend checks to the company's 80,000 stockholders; in Cyanamid Magazine to 25,000 employees, and a brochure to all its 1,500 field sales people. ◆

#### Boards <u>Do</u> Decide, Says Weinberg, On Special Big-Ticket Programs

The "directors' director" points out that "we see the proposed advertising budget. But usually we see it only as a part of the total corporate budget — and always after screening. All budget factors must go to the board.

"But advertising primarily is a management problem. The management appropriates the money. We just hold them accountable for results.

"Rarely do we veto an advertising proposal—and then only for overriding reasons."

Over the years, Sidney J. Weinberg, senior partner of Goldman Sachs & Co., New York, probably has looked at more billions in advertising budgets than any other man.

In recent years he has reduced the number of boards on which he sits, and works, to nine. Of these, five are well up among the 100 largest national advertisers: Ford Motor (whose first public offering of shares he organized), General Electric, General Foods, B. F. Goodrich Rubber and National Dairy. The four others also are substantial advertisers: Champion Paper & Fibre, Continental Can, General Cigar and McKesson & Robbins.

"We are not specialists in advertising," he emphasizes.

But he admits that the board does consider and act on "special" (and costly) advertising ventures. When Kraft Cheese, a National Dairy sub-



Sidney J. Weinberg

sidiary, was considering a capital outlay, last year, for TV singer Perry Como, Weinberg explains, the proposal "was explained separately to us. We had a lot of discussion.

"We wanted to know how this concentration on Como compared in cost with the total of other things we were doing on television, and what Kraft could hope to get out of it."

National Dairy's board approved the Como buy.

Sidney Weinberg does not believe that a board composed largely of bankers, lawyers and engineers, is qualified to make advertising decisions – and he can cite examples of some large bloopers when they did.

But he is known to spend hours at super markets and other stores, almost every week, finding out how things get bought. He drives Ford cars (if possible with Goodrich tires), sees that GE appliances prevail in his home; and the Weinbergs are adequately nourished by General Foods and National Dairy.

From such endeavors he spawns promotional ideas, which he promptly phones to the appropriate president. The president (if he approves) relays them to the appropriate manager. Weinberg wants no credit for them: "It's more important for the marketing or advertising manager to get the credit. To build depth in management, we must build people."

ment, we must build people."

Directors today are "more familiar with advertising," he says. "Management helps to orient us, and we get advertising presentations. At Goodrich, for example, the directors see the advertising plans every quarter.

Director Weinberg thinks, "We must spend more for advertising in order to get more sales and profits. I always recommend a larger budget than is asked. . . . But we want the assurance that it will be spent wisely and safely."

(continued on page 36)



#### Amoco's Board Keeps Monthly Tabs On Advertising Plans and Progress

As with its parent, Standard Oil Co. (Indiana), Chicago, advertising of The American Oil Co., New York, is subject to regular, frequent and thorough review by the directors.

At one recent monthly session on it, Amoco's board-composed entirely of working "insiders":

- Analyzed ratings and cost per thousand in 63 eastern and southern markets where Amoco telecasts weekly the syndicated half-hour "U.S. Border Patrol."
- Discussed advertising tie-ups with the new compact cars, and with a forthcoming sports car race at Sebring, Fla., and the International Boat Show at New York.
- 3. Reviewed ads in 350 dailies, direct mail pieces, and copy for the eastern and southern editions of Sports Illustrated, on how Amoco gasolines can keep the compacts rolling smoothly.
- Looked at three suggested approaches for the 1960 campaign.

The approaches represented three months of work by Amoco's advertising and sales promotion department, under John B. Goodman, and the advertising agency, The Joseph Katz Co.

"Though we presented three approaches," Goodman explains, "we recommended one of them. The board bought the one recommended."

With T. A. Aldridge, marketing v-p, serving as chairman of this ses-



DAILY NEWSPAPER ADS account for one-fourth of Amoco's total ad budget.

sion, "All of our directors voice their reactions. The discussion is fast-moving and constructive. If any director doesn't like a proposed campaign, we work out a compromise and show the changes at the next meeting. . . The heads of other departments recognize that the marketing people know their stuff.

"Previously, advertising was essentially a marketing decision. We've found, though, that participation of the others has not cramped our style. In fact, it has helped.

"A year's program has never been vetoed."

Board members at these monthly meetings are President L. W. Moore, the vice presidents for manufacturing, for supply and transportation, administration, law and marketing.

Other participants are the associate general counsel ("who," says Goodman, "gets most of the marketing problems"), the general and assistant general manager of sales, the manager of wholesale operations, Goodman, and several agency people.

Early last October this group saw the first presentation for the 1960 campaign. First advertising on the new approach will break in Florida newspapers in mid-February; then will start in the rest of the South, and will reach the far North by mid-March.

▶ A large percentage of Amoco's advertising expenditure is placed in television, with "Border Patrol" being supplemented in the fall by sponsorship of pro football. One-fourth is in daily newspapers, and one-third in outdoor posters.

outdoor posters.

(The board was pleased to learn that "Border Patrol," started by Amoco last spring, produces an average of "better than 40% share of audience"

in all 63 markets.)

Amoco distributes in 25 states—in a long crescent from Ohio east to Maine, south to Florida and west to Texas. The advertising supports four regional and 25 district sales offices and more than 350 field sales people—plus station merchandisers.

Amoco products are retailed by 20,000 stations, of which 14,000 are sold direct and 6,000 by some 400 larger and smaller distributors, primarily in the South. With distributors, Amoco conducts 50-50 co-op advertising. ◆

# Crucible's 'Bird-Dog Division' Substantiates Advertising Budget

"This is a report of your bird-dog division," top management at Crucible Steel Co. of America, Pittsburgh, was told—with a picture of a hunting

dog and hunter in the classic pose.

"Advertising and sales promotion are to the sales organization what bird dogs are to the hunter. . . . You can sell some special steels without advertising. But your selling efficiency is greatly reduced—particularly when your competition does have bird dogs."

Mrs. Josephine M. Shea, assistant advertising manager, reported at Association of National Advertisers' national workshop that Crucible "always" gets advertising budget approval from the board of directors—after top management (including vice presidents of finance and production) have been convinced of the need for more and better bird-dogging.

Though No. 13 in sales size, Crucible is said to be the No. 1 specialty-

steel producer.

A typical pitch shows "five steps in producing a sale: (1) contact (reach all who control buying); (2) arouse interest; (3) create preference; (4) make specific proposal; and (5) close the order. . . . With advertising, salesmen can concentrate on selling."

McGraw-Hill findings are cited: In 33 customer plants, U. S. Steel salesmen called on 105 buying influences. Though business-publication advertising reached 103 of them, U. S. Steel found "1,850 other men who receive and read business publications, who make buying decisions, but were never contacted by their salesmen."

The bird-dog division reported 30,000 inquiries from Crucible's advertising in one year. And for "proof of contact," top management learned: From 79,931 questionnaires sent to customers and prospects, 8,443 useful returns were received. Of these, "Over 99% read the magazines in which we advertise."

#### Agency Change Helps to 'Educate' J-M's Top Managers on Advertising

In an industrial company, advertising may count less than some other functions. To support the combined \$350-million volume of its ten divisions, Johns-Manville Corp., New York, has budgeted for 1960 a total \$2.5 million, or less than 1% of sales.

Even with sales promotion doubling this, the \$5 million comes to a lot less than J-M's expenditures for per-

sonal selling.

And because J-M conducts no corporate campaign, its top management may be even less exposed to advertising problems and opportunities.

Last spring, however, explains Reginald L. Johnson, v-p and director of advertising, management wondered whether – after 28 years with J. Walter Thompson Co. – a fresh viewpoint on these problems and opportunities might not be worthwhile.

A 3-man committee of Johnson and the advertising managers of the Building and Industrial Materials divisions looked at 24 agencies and reduced

the contenders to three.

Then, in July, the finalists – G. M. Basford Co., Cunningham & Walsh, and JWT – made their 2-hour presentations, on successive days, after lunch as guests of Johns-Manville.

Their audience included five senior officers: Adrian R. Fisher, chairman and chief executive; Clinton B. Burnett, president and chief operating officer; and three corporate v-p's, John P. Syme, assistant to Fisher; William R. Wilkinson, general manager of Building Products; and John A. O'Brien, for Sales.

Heads of the other operating divisions and Johnson also sat in. Finally, Cunningham & Walsh was chosen.

"From those sessions," Reg Johnson says, "our top management really got an 'education' in advertising. . . . "Our divisions have a lot of au-

loss responsibility. But advertising is conducted by our central department." Under Johnson is an advertising manager or assistant advertising manager for each division. "Each August the general manager,

tonomy - with their own profit-and-

sales manager and product or 'line' managers (there are 50 to 100 products in each division) start studying next year's requirements, down to the last piece of literature. The advertising manager works with them.

"Every division manager, of course, wants all the advertising he can get. But he must be a realist. His requested budget finally evolves as a percentage both of current-year sales and coming-year forecast — allowing for new products and changing con-

ditions." (Often he calls Johnson for advice.)

By late November each division manager has shown Chairman Fisher his hoped for budget and the reasons for it. If Fisher disapproves, the division develops a compromise. About 70% of all proposed division-budgets face some "adjustment."

The final consolidated advertising budget is approved by Fisher, President Burnett and Sales V-P O'Brien,

to whom Johnson reports.

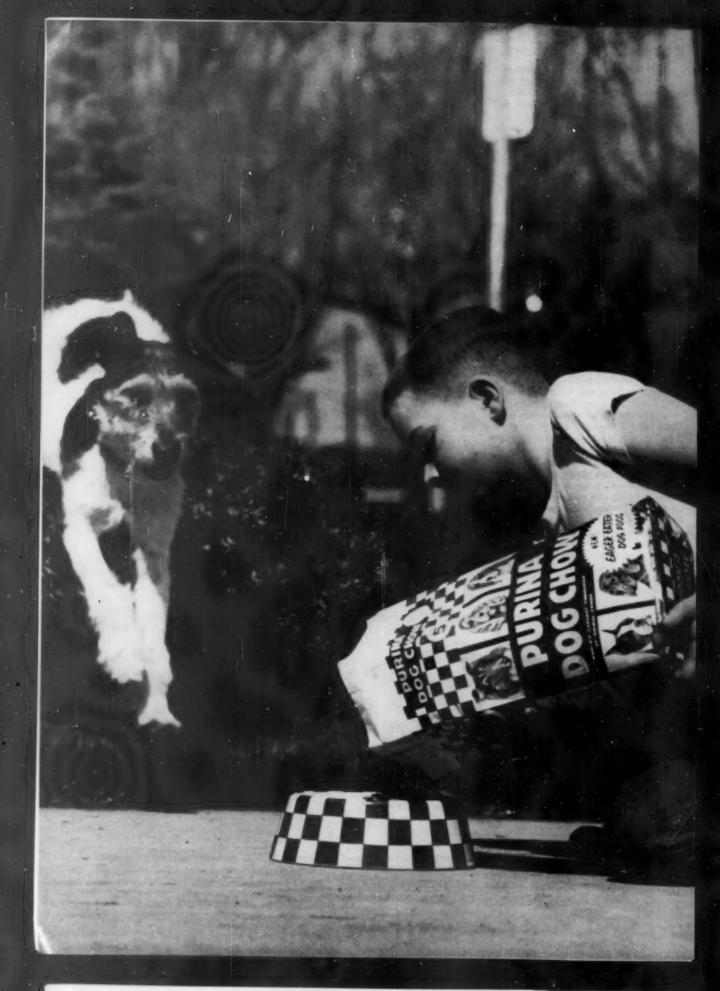
Johns-Manville's board of directors is composed of four "insiders" and eight "outsiders." Though it does not approve the advertising budget, it gets copies, every month, of representative ads of all divisions.

Efforts are made to keep the whole program flexible: Each division's approved budget includes reserve funds. All division budgets are reviewed each spring for possible second-half adjustments.

(continued on page 104)



AT JOHNS-MANVILLE, board of directors reviews representative ads from each division each month. J-M divisions are nearly autonomous in their advertising. Building Materials ad (above) features four ways to remodel with J-M products.



## Yuks and Arfs: Purina Woos Fido's Master

The Ralston Purina Co. has been boning up on the related subjects of dogs and masters. Ralston has invaded the dry dog food field—as competitive as a Garden Kennel Show—and after numerous bone-chewing sessions with its agency, Gardner Advertising Co., New York, made a startling discovery: Dog owners are emotional about their canines! So what's Ralston doing to sell millions of dog owners on using its Purina Dog Chow? Why being emotional, of course.

Says Cardner's creative director, William L. Spencer: "Our study convinced us that the average person was more interested in whether the family dog ate than in the scientific, nutritional content of the food." Believe it or not, thousands of spoiled darlings had been turning down asparagus and hollandaise, sour cream, blintzes, and cherries jubilee, straight from the

master's table, and heading for the nearest garbage can.

So Purina was advertised as remaking the family pooch into an "eager-eater." And the company used real dogs, displaying—at the sight of Purina Dog Chow—histrionic talents that would shame the Actor's Studio. Gardner used beagles, boxers, cockers and mutts. But no French poodles. "They look a little exotic and citified to some people."

Some 3 million dog customers later, Ralston Purina added a satisfied-look approach to its eager-eater program that left competitors salivating. The approach zoomed RP into the No. 1 spot in the dry dog food sweepstakes.

The large photograph campaign broke in newspaper advertising in the first Purina markets: Rochester, N. Y., Columbus, Ohio, Salt Lake City, and Memphis.

In April 1957, national advertising appeared in Life and Sunset magazines and several farm publications. The same creative concept and photographic techniques have also been used in TV commercials. (These won top honors in the Venice International Film Festival.)

Purina pups belong to the natural school of acting. A situation is set up and the human actors get some coaching. But Fido (not his real name) is turned loose to react and perform as the canine spirit moves him. In each situation up to 50 exposures are made and ten shots are selected. Gardner experts review thousands of contact prints before they come up with a winner. No performers, dogwise, are trick creatures. They are merely obedience-trained. And they aren't starved, as you might suppose, to get a faster reaction.

Because of this offbeat approach, at the end of the first nine months of advertising, Dog Chow was in such demand it had to be placed on allocation. Rationing continued until Ralston Purina opened its new production facilities in Cincinnati. Even now there are some out-of-stock situations. Dog Chow now outsells the next two brands combined.

And thousands of Fidos have been able to give up those degrading tours of garbage cans. ◆



TOGETHERNESS: Pups agree eating's OK. Here it's Dog Chow, Purina Dog Chow.



WILD-EYED AND EXPECTANT: Puring appeals to owners of finicky eaters.



IT'S WHAT'S DOWN FRONT that counts, whispers this well-sniffed Purina ad.



COME AND GET IT message in the Purina ad campaign succeeded so well grocery stores ran short, had to be rationed on Purina Dog Chow.

#### What the Expense Account Clampdown

Sales managers, sales policies, even salesmen will be affected by the latest Internal Revenue attack upon those who "live on the company." . . . This is not yet a clampdown on what can be deducted, but, if unsuccessful, this drive could lead to new laws seriously affecting how you run your business. . . . Here's what the drive means to sales execs . . .

Sales executives and their salesmen may be victimized by the Internal Revenue Service's latest drive on expense accounts. Although the attack is not aimed primarily at the sales department, the shot may well ricochet off the main target and harm the bystander—sales management.

The IRS's target is all employees and officers who "live on the company." The target is not corporations but individuals who escape income taxes by gaining personal non-taxed income from their companies via the expense account.

Flagrant violators caused this new drive. Most of them are owners, officers, partners, of small, closely held businesses. They live on their companies, or on their companies' credit cards. They and their families drive cars, fly in airplanes, take vacation trips, furnish their homes, entertain friends – all at the company's (and the Treasury's) expense. They argue that high personal income taxes force them to do it.

To smoke out these individual cheaters, IRS will require all companies – corporations, partnerships, individual proprietors – to report the expense accounts of their key executives. This could involve the keeping of additional records.

New record-keeping requirements took effect Jan. 1, on three days' notice. Technically, these requirements are subject to change. Those who object have until Feb. 15 to file comments. However, any modifications are expected to be minor.

Corporation tax forms for 1960 will contain a new section relating to expense accounts. Corporations will be required to show not only salaries claimed as business expense deductions but also "expense account allowances paid to or on behalf of . . . all corporate officers." If a corporation has more than 25 officers, this information must be reported only on the "25 highest paid officers based on the aggregate of compensation plus expense account allowances."

The IRS definition of "expense account allowances" is broad indeed. It includes "amounts, other than compensation, received as advances or reimbursements; and amounts paid by or for the corporation . . . for expenses incurred by or on behalf of an officer . . . including all amounts charged through any type of credit card."

Companies will also have to tell Internal Revenue whether or not they maintain yachts, hunting lodges, hotel suites, etc., for use of customers or employees and their families. Companies will have to disclose whether or not they claim deductions for family members attending business meetings or on vacation. Companies do not yet have to answer whether or not employees use company automobiles and airplanes for personal traveling, but this requirement may well come soon.

What does all this mean to Mr. Sales Manager?

Assuming he is a "corporate officer," as is often the case, it means his expense account will be shown on his company's tax return. His individual tax return will probably be cross-checked with that of his employer to uncover any payments possibly considered "expenses" by his employer yet really "taxable income" in the eyes of Internal Revenue.

It also means the chances of his individual return's being audited are increased greatly. It means he had better keep records on his business expenses and be prepared to substantiate all such deductions. It means his entertainment expenses will be watched with extra care, and credit card charges paid by his employer should include no personal expenses considered non-deductible by Internal Revenue.

On the other hand, it does not mean legitimate costs of business activities cannot be incurred and deducted. No new law has been enacted – only a new set of en-

forcement regulations adopted.

The same old "reasonable and necessary" test still applies. As IRS Commissioner Dana Latham put it recently: "Internal Revenue Service has neither the authority nor the desire to tell businessmen how they should spend their money. It does, however, have a responsibility to enforce the tax laws; and it intends to do so in this [expense account] area, as in all others. . . Under no circumstances does the Internal Revenue Service intend to allow taxpayers, whether they be few or many in number, influential or unknown, petty chiselers or large-scale evaders, to escape their just taxes."

How will the new enforcement plans affect Joe Sales-

man, who is not a corporate officer?

Joe Salesman will probably feel the pinch – in his use of a credit card, in the expense records he keeps, in bringing his wife on business trips at company expense.

Yet he will not be singled out like his sales boss in the corporation's return, nor will his individual return be cross-checked with that of his employer — under normal circumstances. If his company already requires him to account for expenses, and this accounting falls within what IRS considers "acceptable business practices," the major effect may be a general tightening of company policy toward expenses.

If company practice is to pay a per diem travel allowance without requiring submission of hotel bills and transportation ticket stubs, the salesman can expect a new system to be invoked. Internal Revenue insists the salesman account to the employer. Flat allowances are acceptable only if the payment does not exceed \$15 a day for overnight travel away from home, and an automobile expense of no more than 12½ cents per mile.

#### Means to Sales Executives ...

Is this just another flurry by IRS that will die down soon?

There is no sign of this. Some 10,000 tax collectors have been ordered to pay special attention to expense accounts, and to be particularly diligent about deductions for yachts, hunting lodges, club dues, and vacations

camouflaged as business trips.

Commissioner Latham is relatively new to the top job in Internal Revenue. As a political appointee, his period in office is likely to end soon after a new President moves into the White House next January. He is out to make a record for himself and still all the publicity about "expense account living" and "swindle sheets." He and his predecessors have been under political pressure for stronger enforcement. The chances are that the political pressures will not ease and will affect his successor the same way. It looks as if the heat is on expense accounts as far as the eye can see.

The current clampdown was inevitable. Congress, as well as the general public, incensed over stories of flagrant chiseling, was determined to put new, sharper teeth in the income tax laws. Yet the Internal Revenue Service has eased this pressure — at least temporarily — by launch-

ing this tough new enforcement program.

The IRS warns, however, that if this current drive is not successful, if it does not expose the big cheaters, the

laws will have to be tightened.

New laws would very probably dictate to sales management how it should conduct its business. New laws could well limit the sales department's expense budget. New laws could even tell you whom you can entertain, under what circumstances, and how much you can spend.

Although sales management is not the main target, it will be very much affected by Internal Revenue's new enforcement program. Sales executives might well consult their tax officers to get the minute details. It is time to re-evaluate some sales policies; to tell salesmen how the clampdown will affect them, what new records they should keep, where to be careful.

Today, Înternal Revenue's drive is not aimed at telling you how to spend your business money. Most big companies are convinced that this is strictly an enforcement drive. If their tax officers did not believe it, they would be up in arms. If this were other than enforcement—if it were a change of what is the proper deduction or how much is proper—companies and their trade associations would now be in Washington protesting a new restriction of free enterprise.

Although protests – or "comments," to be specific – are invited by Feb. 15, few companies are expected to write IRS about the new enforcement drive. Obviously, no company is anxious to protest a program that is billed

as a drive to enforce the tax laws.

Some companies may say the program requires them to do more bookkeeping, but their gripes will probably take the anonymous form of a comment from a trade association. Other companies may even say that Internal

Revenue is not getting tough enough.

Regardless of company comments, there is little chance that Internal Revenue will change its mind. The clampdown is on. It could get worse. Below you will read about the sales policies you may want to re-evaluate and the tips you may want to give salesmen to help them understand why IRS's eye is on expense accounts.

#### ... and What to Do about It

First, here are some sales policies to reconsider:

• Credit eards – IRS specifically points at credit cards as contributing greatly to expense account abuses. Here's an example: A company gives its salesmen credit cards for charging business expenses. The company receives and pays the monthly bill, without requiring an accounting from the salesman if the bill is "reasonable." But, says Internal Revenue, the bill may include personal charges by the salesman and these should be credited by him as taxable personal income.

In this case, Internal Revenue will now require the salesman to keep records and report to the company all business expenses charged on a credit card. He will have to note the "who, when, where, how much, and why" for each charge on his credit card.

To be sure that no slips occur on credit cards, some companies changed their procedures Jan. 1. They now require the salesman to receive the monthly credit card bill, pay it himself, and submit an expense account for reimbursement. This method assures that a physical record is made for all business charges and that no personal expenses are paid by the company. Of course this method is still vulnerable to all the time-honored techniques practiced by the swindle-sheet experts, but it does guarantee that the proper records will be kept.

 Wives – Today the practice of wives' traveling with salesmen to conventions and on business trips is as widespread as the practice of the company's picking up the tab for both. The company may still pay the check, but the salesman may find his expense audited by a revenue agent and be taxed for his wife's share of the trip.

Some companies will now try to justify paying for wives' attendance

at company conventions. They will add to the meeting schedule a special business program for wives. They will tell the wives about the company, how they can help their husbands become more successful, how they can become indirect saleswomen for the company. Such business programs for wives may be accepted by revenue agents as demonstrating the legitimate nature of the wives' travel expense.

There is some precedent, however small, for this. In a recent case in Alabama District Court, a salesman for Liberty National Life Insurance Co. won his point. The court's decision, which may be contested in a higher court, ruled that the wife's expenses on a company convention trip were deductible. The court said the wife went along "to feel closer to the company . . . and to [assure] a higher tone at the meeting."

For all practical purposes, however, a wife's expenses paid by the company will be considered personal income. It is extremely difficult to convince a revenue agent that a wife is a necessary business expense.

• Sales meetings—There are three types of sales meetings. The genuine, shirtsleeve session is a legitimate business expense, even if held in a remote resort (in the U.S.) "to get away from it all."

At the other extreme is the reward type of meeting, which IRS considers personal income to the participants. An actual case: General Motors had an arrangement with heads of Buick agencies whereby, based on attaining certain quotas, each agency sent a man to a dealers' meeting in Nassau. Internal Revenue has now held that, even though a meeting was held, the cost of the trip to Nassau represented a prize which was taxable income to the individual.

In the third type of sales meeting, a company takes its entire sales force to Bermuda, Nassau, Paris or other distant vacation spots. If the company does not have an office at the vacation site, the revenue agent could challenge the expense, even if a sales meeting is actually held.

• Yachts, hunting lodges, etc.— Entertainment of customers and prospects at hunting lodges, apartment or hotel suites, country clubs, on yachts, etc., is still a legitimate business expense. Now, however, a company must answer on its income tax return whether or not it does so.

An affirmative answer may invite an audit. To be prepared for the audit a company should keep a running record of the "who, when, why, where, and how much" of such entertainment for business reasons. A second record, of non-business entertainment at these facilities, should also be kept, since the employees who enjoyed it may be required to report the value of this entertainment as personal income.

These records are easy to keep. Failure to keep them could invite a complete detailed audit of your company's entertainment and business expenses, including the personal income tax returns of every salesman.

• Big expense items—Internal Revenue now rules that where more than one company officer is involved in an expenditure, the one who signs the tab must bear the entire expense. This means that when a group of company officers entertains a party of customers, the sales vice president, who often picks up the check, would be wise to alternate with other company officers on this duty. Otherwise, his expense account may reach outlandish propor-

tions and flag him for a personal audit by the revenue agent.

Commission salesmen — Companies that pay salesmen on a straight commission basis, with the salesmen paying their own expenses, will now have to advise their salesmen to keep detailed expense records.

Here's why: A company pays a salesman, for example, a 5% commission. His annual sales are \$200,000; his commissions, \$10,000. The salesman reports to the company a flat monthly expense figure averaging \$350. The company, not caring whether the amount reported is a true expense figure, readily records his income as \$10,000, less \$4,200 for expenses. Thus the salesman is taxed only on \$5,800 income.

Since Internal Revenue now says that this does not constitute a proper accounting, the salesman will have to report the details of all business expenses. The salesman may now prefer another type of payment, such as a lower commission rate plus detailed, substantiated expenses.

▶ The reconsideration of these sales policies highlights the fact that the salesman will be considerably affected by the new drive on expense accounts. Here are some tips you might give the sales force:

 Entertainment—This clampdown is not a change in what is considered a legitimate business expense, and a company need not change its policy on business expenses. Although the salesman is not being accused of abusing his expense account privileges, he can be warned that he may well be invited by the local tax collector to discuss his business expenses.

The salesman can be warned that the current drive, if not successful, could lead to new laws which would crack down on what is now a legitimate business expense.

 Club dues — Internal Revenue seems to make a distinction between business luncheon clubs and country clubs. If business expenses at a country club appear large, a revenue agent is almost certain to challenge them and demand a complete accounting.

Even business luncheon club expenditures may get closer scrutiny. If a salesman entertains often at a business club and runs up a large bill – say, \$2,500 in a year – the revenue agent can contend that the salesman would have had to spend part of that \$2,500 for his own daily lunches.

A recent Tax Court ruling backs up the tax collector in this case. Example: Your salesman invites his best customer to lunch and is reimbursed for the cost. The check is \$12, about \$6 each. Ordinarily, the salesman spends \$2 for his lunch. The court ruled that \$10 of the \$12 lunch was a business expense and that \$2 was personal taxable income for the sales-

"At-home" entertainment—Internal Revenue apparently views this with a strict eye. IRS's "Tax Guide for Small Business" says that the cost of entertaining customers in your home is only partly deductible—to the extent of the added expense of entertaining the customers. If the customers' wives are present, says the tax guide, "it is doubtful whether any part of the total expense incurred would be deductible."

A salesman who entertains at home may have to prove to his tax collector that such entertainment is a necessary business expense, not a social gathering of friends.

• Credit cards — Internal Revenue holds that credit card charge slips are no longer by themselves an automatic "accounting" of business expenses. Either the company or the salesman may pay the monthly credit card bill, but the salesman must now keep detailed records. The IRS is out to nail the man who charges personal expenses to the company and thus gains personal non-taxed income.

 Wives—Internal Revenue generally regards a wife's expenses paid by the company as taxable personal income to the salesman.

To claim a wife's expenses on a business trip as a deductible expense, a salesman must show "that the wife's presence served a bona fide business purpose, directly attributable to the taxpayer's business and necessary to the conduct thereof. . . The wife's performance of some incidental service for the taxpayer will not establish that her presence is necessary to the conduct of his business."

Even if the wife's company-paid expenses on a business trip are ruled personal income, the salesman still comes out ahead. Example: Salesman brings his wife to a convention in Miami. His plane fare is \$200; hers, on the family plan, \$100. The hotel rate is \$30 a day for a single; \$40 for a double. His meals and business expenses are \$20 a day; hers, \$10. The 5-day trip costs a total of \$650-but \$450 is charged to the salesman; only \$200 to his wife. The IRS has ruled that only the additional expenses incurred by the wife's presence are taxable. Thus, if this salesman is in the 30% tax bracket, he must de-



#### Arranging a bowl of 72,000 roses-from overseas

"In our business of supplying articles from abroad for premium promotion, timing is all-important," said Mr. D. A. Haas, vice president of Around-the-World Shoppers, one of the world's leading premium suppliers.

"The Minute Maid Corporation was sponsoring the New Year's Day telecast of the Tournament of Roses parade over NBC-TV network. To dramatize this TV event, the company wanted to present each Minute Maid broker and distributor with a bouquet of artificial roses on New Year's Day.

"We had just six weeks to design, manufacture, package and bring 72,000 roses in from overseas. On top of this, we had to make overnight delivery of the 6000 bouquets of a dozen roses to points all over the country.

"We were able to sell the Minute Maid Corporation on our premium services," said Mr. Haas, "because Emery provided on-time delivery anywhere in the United States through absolute control of shipments from door to door."

Businesses, large or small, can use Emery profitably in their sales programs. Call your local Emery office for full information. Write Emery for this free idea-packed booklet: "6 New Ways to Promote Your Product by Air Freight."



EMERY AIR FREIGHT

801 Second Avenue, New York 17, N. Y. · "The World's Fastest Transportation System"



clare \$200 personal income and pay a \$60 tax for his wife's trip to Miami.

The salesman may have to pay for his wife's dinner when entertaining customers, or, if his company pays for it, consider her expenses as personal income. Example: Salesman's best customer is in town, along with his wife. The salesman invites customer and wife to dinner. The salesman also brings his own wife, and the foursome has a night on the town. The tab is \$80. The company reimburses the salesman for the full \$80, but the IRS could consider his wife's share as personal income unless he can prove that her presence "served a bona fide business purpose [etc.]

In this case, the tax collector might rule the salesman's wife was not deductible, but the customer's wife was. The revenue agent usually recognizes that the salesman cannot very well invite a customer to dinner and leave the customer's wife sitting in the hotel room.

• Records—The salesman will now have to keep records that will enable him either to account to his company or to report his business expenses properly on his own income tax return. He must show the business nature and amount of all expenses, broken down into broad categories—transportation, meals, hotel, entertainment, etc. IRS says a salesman's records will usually be deemed adequate if they disclose:

"Why-the relation of the expenditure to the taxpayer's business. The business purpose of the expenditure must be established.

"Who - the name of the person or persons entertained.

"When - the date.

"Where – the place of the expenditure, the recipient of the sums expended, and the nature of the product or service received.

"How much - the amount of the expenditure."

IRS adds that "Unusual items should be accompanied by explanations and large items should be supported by evidence of payment."

Many salesmen record their expenses in a "little black book." This record will be accepted by Internal Revenue, "provided the record is kept concurrently and in sufficient detail to enable the agent to readily identify the amounts and nature of the expenditures. Supporting documents for large or unusual expenses should be furnished."

If a salesman's deductions are challenged by his tax collector, he should be able to produce exact proof of how much he spent, why, on whom, when, and where. If he cannot furnish exact records, he may be allowed to estimate the expense on a reasonable basis under the so-called Cohan rule. He should be warned, however, that the revenue agent will probably trim his estimate considerably before passing on it.

▶ It is important to realize that the findings of revenue agents vary all over the lot. This is not new. One tax collector may recognize an expense as deductible where another will not. When the salesman (or the corporation) sits down at the table with a revenue agent, he is dealing with human nature — a most unpredictable commodity.

In the next issue, SM will discuss how to deal with the tax collector and what to do if you disagree with his ruling. •



"What did I tell you, Ed? That kid of mine is a born salesman!"



Suppose there are compelling reasons why you believe you should change agencies. And suppose you have gone at the job carefully and logically, measuring all of the possible candidates against the yardstick of your well-thought-out needs. By this process you have eliminated those which obviously won't do.

And now you must choose, from the several acceptable candidates remaining, the one most apt to be right for you. How do you make that one last final choice on which so much depends?

The temptation is to say, "They're all good agencies; other things being equal, the only important consideration now is the men who will work on my account."

But other things are never equal. The biggest single difference between agencies is in the quality of agency management. It is the men who run your agency who determine its standards of service, and this determines the real value of the job the agency does for you. They determine not only the type of men who will work on your account, but the degree to which these men will be backed up by supporting services inside the agency. They provide continuity and depth in agency service far beyond the power of any individual account man. They have the largest stake in building their business through helping you build yours.

So take time to know the men who run the candidate agencies. Talk to them as if they were candidates for a major job with your company—it's at least that important.

Do you agree with their approach to advertising problems? With their business ethics? Have they demonstrated their ability both as advertising men and as managers? What is their record of personnel (as well as client) turn-over? Do you think they will "wear well" with you? Are they really interested in your business?

Talk to them person-to-person, across the desk, without presentations or props. Talk to them long enough to get inside the shell of formal courtesy. With the management of one of the agencies you will have (to a greater degree than with the others) an instinctive sense of trust, of wanting to do business with them. That's when you've found your agency.

## Marsteller, Rickard, Gebhardt and Reed, Inc.

ADVERTISING

NEW YORK . PITTSBURGH . CHICAGO . HOUSTON

AFFILIATES

PUBLIC RELATIONS \* BURSON-MARSTELLER ASSOCIATES, INC.
MARKETING COUNSEL \* MARSTELLER RESEARCH, INC.

## Buying actions from ads

Based on interviews by Daniel Starch & Staff with typical readers of VOLUME FEEDING MANAGEMENT.

These ads and comments are worth looking over carefully, as they can help you identify the kind of advertising that gets sales results in the volume feeding market.

The advertisements reproduced on these pages ran in Volume Feeding Management. Daniel Starch & Staff asked a typical cross section of readers what action, if any, had been taken as a result of reading these advertisements. Some of the answers are reproduced here.

They show the selling power of these ads... and the buying power of these readers.

A point of interest here is that few advertisers in this field send direct salesmen to call on volume feeding operators. Usually, it is the local distributor salesman who makes the calls, and he represents hundreds of products. He hasn't the time to describe the products of every manufacturer he represents and, even more to the point, when he tries he can't be expected to know all the sales arguments, all the user benefits. Because of this, buyers in the volume feeding market depend to a large extent on the information they get direct from manufacturers in the form of advertisements.



FUNDS FLATS

BOSTANT POTATORS

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2-Pages, 2 colors Agency: McCann-Erickson, New York

Dietitian - Hospital

"I was interested in the variety and color of this glassware and I intend to order it."

Manager-Restaurant

"We will use the coupon and send for the free cup and saucer, because we are always looking for new durable china."

Chief Dietitian - Hospital

"We are going to try some of these Jade-ite dishes."

1-Side of insert, 4 colors Agency: J. Walter Thompson, Chicago

Manager-Restaurant

"Saw this ad and purchased Kraft Instant Potatoes and am well pleased with the product."

General Manager-Restaurant

"Interested in this new product and have ordered some to try. It is a good idea for an emergency."

Dietitian - Hospital

"I tried these, and ordered them, for now 90% of the potatoes we use are dehydrated. It is easy to figure out the servings and there is no waste."







1-Page, black & white Agency Walter J. Zimmerman Associates, New York

Manager - Restaurant

"I am very much interested in Cecil-ware and showed this ad to our jobber so that we can order the equipment."

Manager-Club

"We have Cecilware equipment which we bought as a result of past ads in Volume Feeding Management."

%-Page, black & white Agency: Bond & Starr, Pittsburgh

#### Manager - Restaurant

"Purchased these trays."

#### Dietitian - Hospital

"Discussed the possibility of purchasing these trays for our new kitchen."

#### Manager - Cafeteria

"Suggested we buy these trays."

3-Page, black & white Agency: Don Colvin & Company, Chicago

#### Head Dietitian - School

Hedd Diethian—School
"If I can get an allowance from the
board I will certainly buy one of these
steam cookers as we desperately need
one, especially a small size as we don't have much space in our kitchen.

Owner-Restaurant

"We originally bought our two Hot-point stoves through this magazine. We also got Jackson dishwashing from this magazine.



get so much attention and action from readers. There is another worth noting - that VOLUME FEEDING MANAGEMENT is the one magazine devoted exclusively to the interests of volume feeding specialists, whether they operate in restaurants, schools, hotels, hospitals or anywhere else meals are served outside the home. VOLUME FEEDING MANAGEMENT is read not only for the interesting ideas and case histories that appear on its editorial pages but also for the ideas and product information that comes direct from manufacturers to volume feeding operators through the advertising pages.

We mentioned above one reason these advertisements

1-Page, 2 colors Agency: Meldrum & Fewsmith, Cleveland

Manager - Cafeteria "Bought this vegetable shortening."

Manager - Cafeteria

"I tried two recipes given in this ad and found them delicious."

Dietitian - Hospital

"I wrote for information. Hope this shortening doesn't smoke like the kind we are using."

READER ACTION ON ADVERTISEMENTS ON WARIOUS ISSUES OF VOLUME FEEDING MANAGEMENT Booklet, free on request, contains all quotes as reported by Daniel Starch & Staff, to date. Gives you a gauge of the selling power of good ads in the right medium.

For booklet, market or media information, write VOLUME FEEDING MANAGE-MENT, 205 East 42nd Street, New York 17. Or call our nearest representative. VOLUME FEEDING MANAGEMENT is a Conover-Mast publication.

the ad reactions that count are buying actions

#### There's a Maverick Moving Mohawk

"Nepotism," they yelled, when the boss' son-in-law took over; but if "nepotism" means results like this, let's have more of it.

When the chairman's daughter's husband took over Akron's smallest tire producer in March 1956, the two other qualifications his detractors figured had earned him the job were youth (he was 36) and personality. Henry Mitchell Fawcett had had only ten years with The Mohawk Rubber Co. The smug ones sat back waiting for a dull thud.

Then the newspaper reports started

March 4, 1957—"Gains of 5½% in sales last year and 15% in earnings were announced today by Mohawk . . ."

March 2, 1958—"One of the smallest tire firms came through with the biggest sales and earnings increases in the rubber industry in 1957. Mohawk sales rose 38% and profits 52%..."

Feb. 8, 1959 – "Mohawk sales reached a new peak in 1958 . . ."

Today the company is boosting sales at the rate of \$5-7 million a year. From \$8.9 million in '54, sales jumped to \$25.5 million in 1958, setting the best performance record in the rubber industry. The figure was already at \$23 million when the '59 third-quarter report came in.

Under the leadership of President Fawcett, son-in-law of the company's former president and current board chairman, Ray E. Bloch, little Mohawk has become a pace-setter. How come?

Hank Fawcett talks about people and hard work. Other than that his approach has been pretty unconventional.

His first objective, after taking over Mohawk: To find "a bunch of dedi-



HE MAY BREAK TRADITIONS in the industry—but who can argue with Mohawk President Henry Fawcett's amazing ability to multiply profits.

cated guys who could be sold on the proposition that Mohawk was going to be as big as we could make it in our lifetime."

The men he tapped, all in their thirties, were picked for "honesty, loyalty, mentality and perseverance—preferably in that order." With few exceptions (one director was promoted from the ranks), they came from other rubber companies. Several were personal friends or ex-classmates.

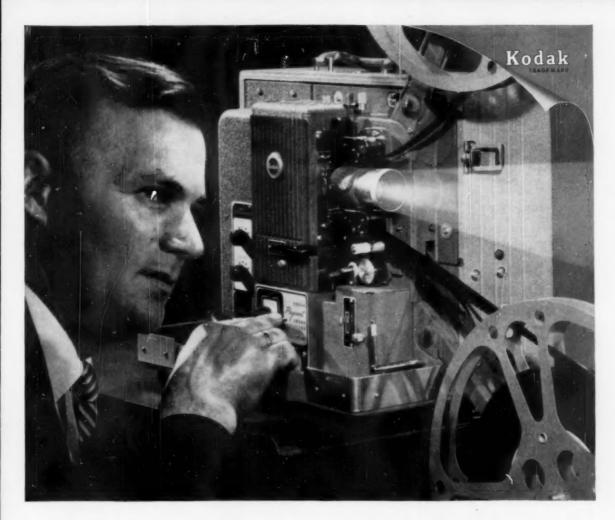
Fawcett gave this hand-picked set the hard-work theme and let them in on the goal: "Fifty million dollars in sales by 1961 as a base from which to expand . . . We've got a long hard pull before we're recognized." Then, as he puts it, "We began knocking on doors."

The primary doors have been merchandising outlets, which Fawcett went after with a vengeance. Unlike the major rubber companies, Mohawk has no company-owned stores. It uses dealers, added them at the rate of 60 a month for one 9-month period in '58. Now it's about 30 a month, currently adding up to some 1,400 dealers, including 40 large distributors that service as many as 300 subdealers.

The small dealers are the central theme of Mohawk's success story; the company has put tires where they've never been before, capitalizing on outlets the Big Five can't be bothered with. And while the little service station on the corner means big business to Mohawk, "We've actually turned down some large oil companies," Fawcett brags. "These so-called prestige accounts are wonderful if you want to handle them from the home office . . . but we try to be more than a manufacturer; we seek acceptance for our products . . ."

He demands only that a dealer be honest, able to sell, good about paying bills. And he adds, "You have to have the mentality never to outgrow them. . . . As corporations grow more and more successful, they too often forget the things that have made them prosper. . . . Their executives become immersed in paper work. They forget they are dealing with people."

Not so the bright young Mohawk



How to demonstrate the big, the complex

#### EVERYWHERE AT ONCE!

How do you get fast, widespread demonstration of a new electronic product, for example, when the product isn't the kind a salesman can carry easily, and when live demonstration isn't always convenient?

The National Cash Register Company did it by shipping 275 Kodak Pageant 16mm Sound Projectors into its branch offices throughout the United States and Canada. And hundreds of NCR salesmen swung into action with a 31-minute demonstration film.

Results? The road to sales was shortened considerably.

#### And something else happened:

Not one complaint has been reported about any of the 275 Kodak projectors.

Not one maintenance complaint. Not one operating complaint.

But then, Kodak Pageant Projectors don't get in the way of selling. Salesmen don't need to fumble with parts, because reel arms, belts, cords are all permanently attached. Even the film threading path is printed right on the projector. And permanent factory lubrication minimizes maintenance, eliminates need for oiling, ends lube record-keeping forever.

See how smoothly your sales presentations will run on a Pageant. Call your Kodak A-V dealer today or tomorrow and let him demonstrate how easy it is to operate this machine. Or for a fact-filled folder, write:



The NCR salesman switches on his Kodak Pageant Sound Projector and his presentations roll smoothly and uninterrupted for National's new electronic bank posting machine-The Post-Tronic.

Kodak Pageant Projector > EASTMAN KODAK COMPANY, Dept. 8-V, Rochester 4, N. Y.



#### When Canada Buys...

Retail sales in the Toronto market exceed \$2,000,000,000 a year. And in Toronto 62.7%\* of all daily newspaper readers read the

#### TORONTO DAILY STAR

80 King Street West, Toronto In the United States: Ward Griffith & Co. Inc.

\*Gruneau Research Survey 1958

#### M E E T I N G P L A N N E R S H A N D B O O K

Handy, pecket-size booklet contains reprints of same of the most popular articles on moeting planning that have appeared in Sales Meetings.

32 pages-more than 14 articles

CONTENTS

What I've Learned from My II,000 Speaking Engagements Put Small Groups to Work for Idea Developments Guided Conference: Good Substitute for Skilled Leadership Why Doesn't Brainstorming Always Seem to Work? Buzz-Write Workshop Insures Participation A Conference is a Contest— Do You Win Or Lose?

If It's Worth Saying It's Worth Reporting How Bankers Become Good Speakers 43 Ways to Excite Interest in Your Meeting Objectives

For the Modern Meeting Planner: Guide to Styles, Groups, Methods Good Audiences—Made Not Born It's Real Work to Plan Women's Activities Your Planning On-the-Spot Program Change is Valuable

How to Get the Most Out of Hotel Service Send 50 cents in cain to:

Readers' Service Dept.

SALES MEETINGS 1212 Chestnut St., Phila, 7, Pa. execs. They're out studying customer needs and wants a lot more than are their counterparts in the other rubber companies, according to the young president. All his key people—production, technical and sales—go into the field at least once a month to keep in touch. And there's no chain-of-command technique to exclude Fawcett from what he calls a "downto-earth Harry S. Truman approach.

"A lot of guys running companies think they have to have lines of authority." he says scathingly. "Quite often I spend hal' my day with the man who is number ten in production."

► He'll also give you a few debatable ideas on the subject of advertising:

"You can have all the advertising and promotion in the world, but in the last analysis, it's work that gets results." For him an increased ad budget should be the result of increased sales, instead of vice versa (consequently Mohawk's advertising budget, in proportion to sales, is probably smallest in the industry). But the evidence shows a certain weakening of this turnabout theory:

When Fawcett took over in 1956 the ad budget was .459 of net sales, dropping to .419 in '57. The next year it rose to .750 and in '59 to .825. This year it's expected to reach 1% of net sales. (The average for the industry is about 3%.) Most of the allocation is for trade journals, state trucking publications or national fleet publications, but Sports Illustrated, Newsweek and The Wall Street Journal get some play.

In the same unexpected manner as that with which he subordinates advertising, Hank Fawcett frowns on such sales techniques as entertaining on the golf course, but—an avid sports fan himself—"I'm only too happy to pay his greens fee if an executive wants an afternoon off to play golf."

Questioned about the company's amazing growth under his command, Fawcett shrugs in classic shaggy dog manner, "We're only starting to roll." The company with a sales picture of \$9 million in 1954, \$25.5 million in '58, aims to reach \$50 million in 1961, and, "From that time forward," says Fawcett, "Mohawk will have a greatly accelerated growth pattern due to the possibilities of diversification upon a firm base."

So far the company has made all its progress on a few products—tires, tread rubber for retreading tires, and a small amount of mechanical goods. But it is geared for expansion. Tire production has been tripled in the last few years with the help of a new factory in West Helena, Ark., which turns out more than the home plant in Akron. Last year a tread rubber plant was opened in Stockton, Cal. Manufacturing efficiencies have been introduced and labor relations were never better.

But with all the talk of diversification, Fawcett assures stockholders, "We think our return on investment is the highest in our industry. If we diversify through acquisition, I'm going to demand that the stockholders interest is not diluted. There is still plenty of room for growth in our own field . . ."



Means "\$20,000,000 Yearly In Conventions To Tulsa!"

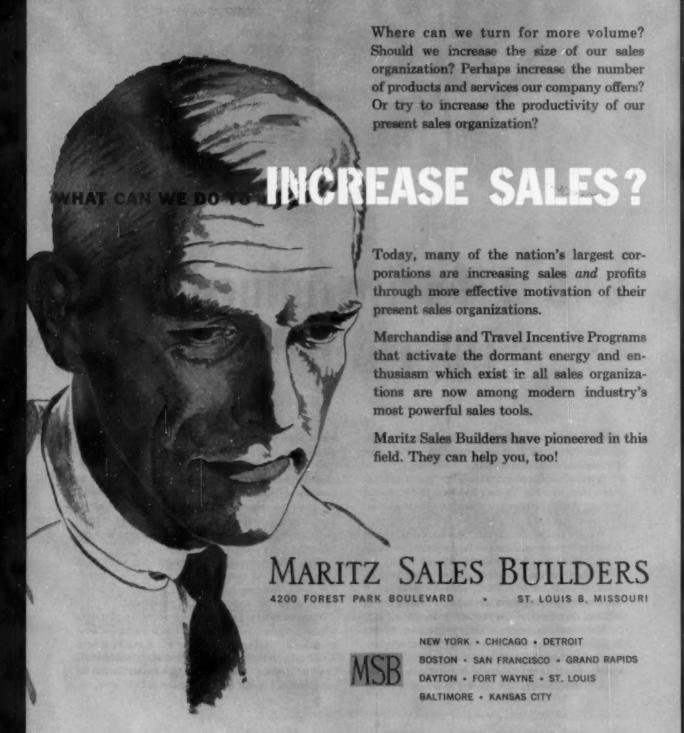


MORNING

EVENING

SUNDAY

Represented Nationally by The Branham Co. Offices In Principal U.S.A. Cities



TRAVEL DIVISION: HOLIDAY HOUSE Travel Center, Inc., DEARBORN, MICHIGAN

# Effective immediately... American Machinist/

**HERE'S WHY:** American Machinist, as a name for this 83-year-old publication, is today one of the most complete misnomers in industrial publishing.

It was a fine name back in the days when a machinist was a man who ran his own business. Today, all the average machinist runs is a machine—and American Machinist has not been edited for him for fifty years.

We are adding the phrase "Metalworking Manufacturing" to re-emphasize two fundamentals on which our editorial policy has always been based:

1. Metalworking, to which our magazine is dedicated, is an industry in itself; an industry in which basic techniques and processes create a community of interest, regardless of the product being turned out.

Metalworking begins where production of the basic metal leaves off. It covers all phases of planning, administration and execution involved in converting metal into finished products or components,

2. Manufacturing, the basic process of working

metal into products, is, and always has been, the editorial province of American Machinist. The magazine draws its readers from manufacturing management men in metalworking, and men who aspire to manufacturing management positions.

These two common denominators of reader interest have made American Machinist the manufacturing publication in the metalworking field for men with the following areas of responsibility:

Top Manufacturing Management—top officials in charge of over-all manufacturing operations, controlling costs, financing facilities, and evaluating the efficiency of people, techniques and equipment.

Manufacturing Engineers—production planners whose recommendations and decisions determine how to make it; what equipment to make it on; how long it will take to make; what it will cost; how materials can be "worked" most efficiently, whether or not to sub-contract... and much more.



# American Machinist becomes Metalworking Manufacturing

Plant Management-the "doers"; the men who create reality out of the drawing-board concepts; the functional group that has the decisive voice in determining procedures, techniques and equipment used in the actual manufacture of the product.

Our ABC statement for the 6 months ending December 1959 will be in a new form recognizing this basic organization of manufacturing in the metalworking industry. The new form, based upon reader function rather than title, will make it possible to break down our circulation by the three manufacturing functions described above. Those who seek an even finer breakdown can determine our circulation in the metalworking field on a four-digit SIC basis.

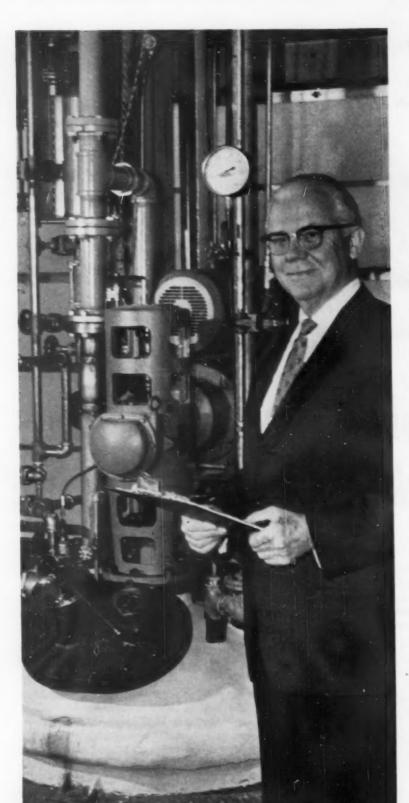
A change in a magazine's name—especially in the case of a publication that has been a leader in its field for 83 years—is not a step taken lightly. We believe it will be welcomed by subscribers and advertisers alikepinpointing more sharply, as it does, not only the editorial appeal of the magazine for subscribers, but the important market reached through the magazine for our advertisers.

At the same time, we would like to emphasize that nothing about the magazine itself is being changed except its name.

As the postwar population explosion triggers the boom that will highlight the economy of the 60's, American Machinist/Metalworking Manufacturing will continue its leadership in reporting new developments in technology to manufacturing men in metalworking-developments that will result in manufacturing more, and faster, at a lower cost, to meet the rapidly growing demands of a vastly increased population . . . and enable America to continue to compete in world and domestic markets.

A McGraw-Hill Publication • 330 West 42nd Street, New York 36, N.Y.







THEY'RE
IN
THE
NEWS
BY HARRY WOODWARD

#### The Bachelor at Spencer Kellogg

They couldn't keep Fred W. Thomas down on the farm. In '54 he retired as president of Central Soya Co. to a quiet life on his Indiana homestead. Then the old (65 this year), prosperous ('59 net sales, \$130 million) firm of Spencer Kellogg and Sons, Inc., Buffalo, began casting about for a powerhouse to eventually take over the presidential reins. Thomas was enticed out of retirement. He came in as executive v-p, in five years set the firm that produces vegetable fats and oils and makes co-products on the road to diversification. Recently he became president. Kellogg's products include linseed, sovbean and castor oils, oilseed meals, sova flour, formulated animal feeds. And so it covers the industrial and consumer markets, is fanning out, to the protective coatings field, moving to larger, more modern headquarters, has a new research head. . . . Fred Thomas graduated from Purdue in 1922, spent several years in the advertising field before he joined Larrowe Division of General Mills as ad manager. Later he moved into the division's sales, became executive v-p. He went on to Central Soya, one of the largest soybean processors, was president for six years until he retired. He hated retirement; it didn't take much cajolery to win him over to Kellogg. "If I weren't optimistic about the company's future I wouldn't be here." A bachelor, he lives in a Buffalo hotel, says he's no joiner, that business is his hobby. When he joined the company he made a point of introducing himself to everyone including the office boys as "Fred Thomas." Direct, that's Kellogg's president.



#### The Risen Son at Sunset

By national magazine standards, 640,000 average net paid circulation is no Look or Life. But California's Sunset Magazine, distributed in eight western states including Hawaii, wields a mighty sword of influence. Sunset is the "Magazine of Western Living," a slick, handsome book that is written for the West and people who live there. It is not, says its newly named publisher, L. W. (Bill) Lane, Jr., "about the West nor does it seek to glorify the West in the eyes of tourists." Instead it concentrates—in

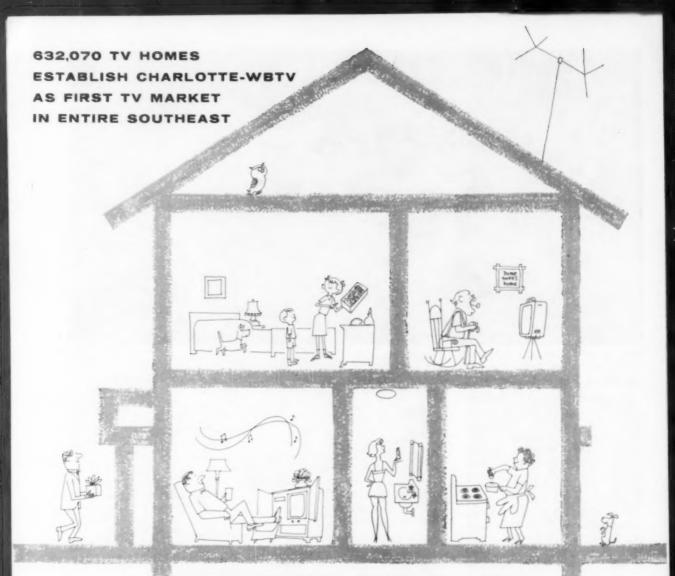
three separate monthly editions, each tailored to the climatic zones of the Pacific West — on western travel and recreation, home building, food, and gardening and landscaping. Bill Lane, son of the publisher (for 31 years) who bought the magazine in 1929, has been in the selling end of the business. In recent years he's had supervision of the editorial and circulation of the publication but he's kept the selling efforts in his vest pocket. (During the time he served as sales manager, Sunset's advertising revenue increased 76%.) He's the western

version of a publisher—relaxed. He'd rather ride horseback or ski on a Sierra range than sweat over a golf score. . . . Sunset began under Union-Pacific ownership. Then it was slanted to Easterners. Almost three decades later it was sold to new owners who began to focus its beam on the people of the West. When Lane bought it he wisely concentrated on the Pacific area, later built what is often called the handsomest magazine headquarters—low, rambling, western—in this country. Sunset boasts that 9 out of 10 of its readers own their homes . . .

#### Keep It Cool

Air conditioners aren't even status symbols anymore-unless your office or your house doesn't have one. And one of the Johnny-come-earlies of the business is York Division of Borg-Warner Corp. Before the war, York's distribution organization was engaged entirely in retail selling because packages had yet to grow up. Now packaged products are the big news with York. And to make them bigger the division has moved up a veteran of 20 years with the company to be general sales manager. He's W. E. Landmesser, shaggy of eyebrow, piercing of glance, a salesman's sales manager. He joined York in '39 as sales manager, Commercial Air Conditioning and Refrigeration Products. (Before that he had spent a dozen years with GE, ending as manager of Commercial Refrigeration.) He believes York will be in its strongest competitive position, this year: Production facilities are able to turn out the most complete York line ever; the economic climate is favorable; York will have the strongest ad and promotional campaign in its history; distribution has been improved in selected areas and inventories are at a comfortably low level. He'll direct operations that include more than 200 distributorships, thousands of dealers. Under his supervision will be room, residential and commercial air conditioners, furnaces, automatic ice makers and other products. But he'll put special emphasis on room air conditioners and residential systems. Says he: "Residential air conditioning is on the verge of an explosive advance."





#### BUT-EVEN MORE IMPORTANT TO YOU IS WHAT'S HAPPENING INSIDE THESE HOMES

In the WBTV 71-county coverage area, families are feasting on more food annually than the city of Detroit; Moms are doctoring families with more drugs than would be used by nine New Havens; the entire flock of families is spending 68% of its effective buying income at retail—almost 3 billion dollars. There are twenty-six states that don't sell this much.

Compare Southeastern TV markets—you'll rank WBTV first in the Southeast and first in your advertising plans.

#### COMPARE THESE SOUTHEAST MARKETS!

WBTV-Charlotte	632,070
Atlanta	579,090
Louisville	509,480
Birmingham	587,800
Memphis	453,240
Charlotte Station "B"	442,690
Miami	434,800
New Orleans	380,020
Nashville	366,560
Nerfolk-Portsmouth	337,580
Richmond	311,680





JEFFERSON STANDARD BROADCASTING COMPANY



#### Aluminum Containers Head for "Breakthru"

High-pitched interest in aluminum containers is spreading through many industries. It's result of three developments, all affecting packaging costs: (1) Possibility of higher tinplate costs, arising from recent steel settlement; (2) threat of higher freight rates following upcoming railroad contracts with labor, and (3) recent "breakthru" in can making.

Result: More than ever before, marketing executives are eying aluminum, the "wonder metal," as a packaging medium.

Keep an eye on the "breakthru" in aluminum can making. It's a production press unveiled recently by E. W. Bliss Co., Cleveland. It's said to extrude 2-piece aluminum containers twice as fast as existing machines. This may be the turning point. Aluminum can prices may drop into direct competition with conventional tin cans—as well as plastic containers.

Marketers see four possible pluses, besides cost factor, in aluminum cans: Lower freight rates, rust resistance, longer shelf life, elimination of leakage because of no side seam.
... Food companies see a psychological advantage. Says one packaging exec: "The vast majority of kitchen utensils are made of aluminum. The American housewife is prepared to accept aluminum cans as being cleaner and more sanitary."

Big can makers—American Can, Continental Can, National Canare stepping up research in aluminum containers. They admit steel prices are forcing them to it. They feel widespread use of aluminum cans is inevitable. . . . One big convert to aluminum is Libby, McNeill & Libby, now using aluminum for packaging frozen citrus juices. Esso Standard Oil is another big user. Many marketers of food, beverages, petroleum products, etc., are on the verge of a switch to aluminum.

#### To Fight Imports— Price Is Not Enough

<u>Fressure from rising prices</u> — coupled with expectation of <u>rougher competition from abroad</u> — appears to be exciting a "back-to-the-basics" sales philosophy in many quarters.

Domestic companies can no longer battle—and be sure of beating—rising imports strictly on price front. More sellers are re-honing such proven sales tools as bigger and better-trained sales staffs; greater concentration on service, quality, reliability; increased emphasis on new products, new methods; expansion of sales centers to get closer to customers.

Examples: Wolverine Tube increases number of sales districts 25%. General Motors' Diesel Division opens six new fully manned regional offices. Joy Manufacturing greatly expands parts service and warehouse system. Pratt & Lambert, Fairchild Semiconductor, many others are pushing basic sales tools.

FTC Fire Singes Several "Bias"

Big names are coming under fire of Federal Trade Commission. Deceptive ad claims and price discrimination are among major targets of FTC's current drive (see SM, Jan. 15, page 33). Look et recent FTC actions against national marketers:

- · Price discrimination-Sunshine Biscuit is charged by FTC with discriminating in price among customers by "giving certain favored customers discounts not offered their competitors." Complaint alleged Sunshine gave some large grocery and drug chains "discriminatory 5% volume plus 2% cash discounts cn 'Krun-Chee' potato chips." . . . Bigelow-Sanford Carpet and Mohasco Industries deny FTC charges of "granting discriminatory prices to favored purchasers." FTC had charged that "The concerns' annual volume discount schedules result in smaller customers paying higher prices than competitors who buy in greater volume." FTC also alleged that the companies' chain store customers are permitted to combine purchase volume of all outlets to qualify for the top discount.
- · Deceptive ads-This is probably just the beginning. FTC named four national advertisers and their ad agencies in charges of deceptive demonstrations on TV and in other media. Formal FTC complaints, followed by wide publicity, hit Standard Brands and its "Blue Bonnet" margarine; Colgate-Palmolive and its "Palmolive Rapid Shave" shaving cream; Alcoa and its "Alcoa Wrap" aluminum foil; Lever Brothers and "Pepsodent" toothpasts. . . . Ad agencies are boiling mad. They insist FTC publicly discredited the named companies without benefit of a "hearing." Ad men question FTC's claim that the ads "diverted trade unfairly from competitors"; charge that such publicity before a hearing is damagingly unfair to the "accused" companies.

New Step in Ad Research

New step in researching ad effectiveness is being taken by Advertising Research Foundation. ARF is adding a new function. It will make available, on a completely voluntary basis, facilities for analyzing any interested syndicated advertising research service. Any ad service wishing an analysis must request it and agree to underwrite its cost. . . . The aim: To provide ARF members with informative reports about research techniques and operations of ad research services.

Marketing Miscellany

Japan is readying two more choice items for U.S. market. One is a \$295 color TV set (\$200 under RCA's lowest-price color set). Second is a transistorized, portable, 8-inch, blackand-white TV set; weighs 13 pounds; priced under \$200. . . . "Automatic merchandising" via vending machines is now running at a \$2.3-billion clip and heading higher. Robot selling of food and beverages is over \$1 billion a year; cigarettes, \$840 million; candy \$225 million. Vending machines offer everything from hot meals to fishing worms. . . . Output of electrical manufacturers expected to rise 7% to \$23 billion this year.



"One LOOK Magazone ad—in just <u>one</u> zone—sold more than \$500,000 worth of homes for us," reports Herbert Gross, Sales Manager of Main Line Homes

Main Line Homes, of Philadelphia—one of the East's biggest producers of pre-cut, panelized homes—ran a coupon advertisement in the first LOOK issue (Sept. 15, 1959) to feature Magazone, the revolutionary new regional ad plan. The insertion appeared only in Zone 2 (Middle Atlantic). The result, according to Sales Manager Gross, "exceeded our greatest expectations."

Explains Mr. Gross: "We got 1,400 coupons the first week, 100 a day for the next three weeks. Total to date is 5,200. And these LOOK replies were of such high caliber that they led directly to \$500,000 in sales—in what is normally an off-season." Many inquiries were from prospects outside areas served by Main Line dealers, which prompted Main Line to establish seven additional franchises and open up a new marketing territory.

Main Line bought Magazone because "for the first time, a regional company like ours could benefit from the prestige of a great national magazine." What about 1960? "We'll be back in," says Mr. Gross. (So will 75% of all first-issue Magazone advertisers.)

In the past five years, LOOK has gained more advertising revenue and pages than any other magazine in its field. One of the most significant reasons is LOOK's outstanding record in producing solid sales results. For LOOK means sales.







60 Sales Management February 5, 1960

#### DYNAMARKETER

# 'Mr. Bowling Pinspotter' Bets On Burgeoning Leisure-Time Market

By LAWRENCE M. HUGHES Senior Editor

The idea of an automated grave-digger has intrigued the restless, many-sided mind of Morehead Patterson.

As yet, however, this machine is one of the few things which the chairman of the board and long-time stimulating spirit of American Machine & Foundry Co., New York, has not done much about.

When he does, his associates are ready to offer a slogan: "AMF takes you from the cradle to the grave."

For tiny tots AMF (formerly known only for machines for the tobacco, clothing and baking industries) provides toys and tricycles; for older youngsters, athletic balls and bicycles; for do-it-yourself addicts. DeWalt power shops, and for most of the 26 million Americans who now bowl regularly and en famille, not merely AMF Automatic Pinspotters, but all the fixin's, in "Streamlane Decor."

In 1959 the Pinspotters and fixin's accounted for more than half of AMF's estimated \$19-million net profit, and almost as large a share of its estimated \$280-million sales-and-rental volume.

Morehead Patterson is seeing to it that we have a lot of leisure-time fun on our life's journey. And AMF has started to bestow similar blessings on the multiplying millions of other countries.

Two weeks ago (after AMF had already introduced the automated game in Sweden, Mexico and Venezuela) a British subsidiary opened "Ten Pin Lanes" in London, and a second center will follow soon in the English Midlands.

Writing in Punch, E. S. Turner had anticipated it: "The postwar annals of bowling, which for so long had been associated with ungracious living, are positively stuffed with social significance." Today's strikes-spares-splits salons boast "up to 60 micro-level and acoustically muted bowling lanes, with Automatic Pinspotters, Underlane Ball Return, Radaray Foul Detectors; . . . the whole flanked with barbecue patios, cocktail lounges, swim pools, beauty parlours, floor shows and fountains."

Pinspotters could become (with fixin's) a \$1-billion business. Patterson, who in 62 years has rarely bowled, refuses to guess their potential. One associate suggests we describe him with a well-worn quote from Emerson: "He builded better than he knew." Patterson admits that he did not dream the Pinspotter would become such a profit-

getter, or that bowling would burgeon so phenomenally. By late 1957 considerably more than half of all the 70,000 lanes then certified by American Bowling Congress had been mechanized by AMF and, to a less extent, by Brunswick-Balke-Collender. Pessimists were seeing "saturation" in every part of the land. AMF has since had to revise its own estimates upward about 50% annually.

Today Patterson sees "near-saturation" only in parts of upper New York State, Michigan, Ohio and Illinois, Meanwhile, he shows, in New England "tenpin bowling has just been introduced. In the Southeast, tenpins are replacing duckpins. In other sections of the U.S., and in the rest of the world, opportunities could be immense."

the rest of the world, opportunities could be immense."

AMF divides its widely diversified business into four areas: leisure-time, nuclear, mechanical equipment, and electro-mechanical components. Doubling research and development expenditures in two years, to \$12 million, the company is proud of an improved automatic breadwrapper. (It still boasts of having developed the first machines to tie pretzels.) With 20 nuclear plants now under way across the Free World, it is the largest builder of atomic research reactors.

Yet adding sales to long-term rentals (and the bowling, pretzel and cigar machines are rented), AMF's backlog of orders now exceeds \$500 million. The current rate of unfilled orders on Pinspotters, Patterson says, "is 125% higher than a year ago. . . . The rate of unfilled orders for other bowling equipment is even higher."

AMF is busier than ever telling families in hot weather that bowling in air conditioned centers is "cool fun," and advertising four fundamentals to financial institutions and prospective bowling proprietors: "Competent management, suitable location, modern (meaning AMF) equipment, and proper financing."

A 3-page ad in the December 28 Life showed "life in Shelby, Ohio." All Shelby, it seems, was using AMF Pinspotters, AMF-Voit sports equipment, AMF wheel goods, AMF-DeWalt power tools.

"By leasing our bowling machines," Patterson explains, "we become a partner of the proprietors. You can't sell toothpaste unless you're prepared to help the merchant move it off the shelf. For a commodity called time, AMF is using all the familiar merchandising approaches. We



Taylor-Merchant's sensational new Sell-O-Vue gives you twice the impact at

Sell-O-Vue provides a dramatic 8-frame high fidelity full-color filmstrip, and a unique folding precision viewer - plus a printed brochure-folder for telling your story in full detail.

The clever combination — viewer, filmstrip, brochure-folder — is in aggregate a dynamic self-mailer that actually costs less than the usual color brochure alone! And it mails for a 4 cent stamp.

your letterhead today for free sample of this new sell-on-sight mailer. No obligation at all



the taylor-merchant corporation 48 west 48th street, new york 36, n. y. PLaza 7-7700

Dept. S2



hold clinics and schools for proprietors and mechanics. We run national and cooperative advertising for and with them to keep their lanes filled morning, noon and night.

Some psychologists say that bowling's popularity stems from the human urge to knock things down. At any rate, more families are letting off steam together. . . . And men who stop and bowl a few games en route home are supposed to be kinder to their wives when they finally get there.

By 1970, Morehead Patterson expects AMF's volume to exceed \$700 million, with its own research and development efforts spawning more than half of this total.

But here, too, this quiet, tenacious, curious, restless introvert may be too conservative. Right now AMF is starting a lot of things, and Patterson is thinking of more.

► He has almost as many "sides" as AMF. A rich man's son, legally trained, he has about 25 patents in his own name. (AMF's board finally stopped him from flying his own plane.) . . . He points to his early work with the Durham-Enders razor to prove that "I always knew merchandising."

His "non-AMF" posts range from chairman, Nuclear Standards Board of American Standards Assn., and a director of both the Foreign Policy Assn. and the National Industrial Conference Board to Executive Committee member of the U.S. Committee for the United Nations.

He hates to make speeches, and is glad that in the last couple of years President Carter L. Burgess has taken a lot of this load. "When I must." he says, "I always make the same speech.'

Making it off the cuff to fit the audience and his mood, he points out that by the year 2,000, world population will more than double to 7 billion. But science and technology will find ways to "feed, clothe and house all these additional people." They will use "air, sea water, ordinary rock and sunlight as sources of food, power and materials." The world's power requirements will be eight times as great as now. Tomorrow's "goods and

"goods and services" will be sold to all these new billions by greatly expanded consumer credit, and by merchandising.

He may be bullish about sea water: "We're working now on sea and other 'dirty' water." But-after an earlier surge of optimism-he now believes that "the wide use of nuclear power is 20 years away.

Rich-man's son Patterson went to

Groton and then to Yale, where he roomed with the poor Chinese-born son of an American minister: Henry Robinson Luce. With fellow Yale man Brit Hadden, Luce went on to found Time, in which Patterson briefly invested some money.

He went on to study economics at Oxford and to graduate from Harvard Law School. (He had already served in the Army in World War I.) In 1926 he joined AMF's Legal Department. Under his father, Rufus L. Patterson, Morehead rose in 15 years to become president. On his father's death he became chairman, too.

Morehead inherited control of a tidy business. In 1939, on \$5-million sales, AMF had earned \$1 million. Some people asked (knowing Morehead), "Why rock the boat?" But AMF's new chairman felt that, to keep going after World War II, an outfit had to keep growing.

In 1937 AMF had acquired rights to a Pinspotter invented by one Gott-fried Schmidt. But after \$800,000 had been spent on its development, and \$8 million of stocks sold to finance its production, the first Pinspotter brought out in 1946 still had bugs in it. AMF put six more years and several more millions into it.

Meanwhile, to step up earnings, the company set out to acquire products which, as Patterson says, would "wear out in a hurry and sell in large numbers at moderate prices."

▶ In World War II and the Korean War, Government business became more than half of AMF's total. Patterson found that the U. S. had been on a wartime basis for one-fifth of its history. To avoid the heavy costs of conversion and then reconversion, he decided to devote 20% of AMF's production permanently to defense work.

Patterson says that at AMF "Our responsibilities" have always been spread." Widespread growth and diversification have spread them even more. In addition to Gen. Walter Bedell (Beetle) Smith, vice chairman, and President Burgess, the roster includes Executive Vice President Rodney C. Gott and eight other v-p's.

About the new decade, Patterson is "bullish—with realism." For one thing, he thinks the Russians are ahead in the propaganda war: "They're spending \$100 million a year on it in South America alone.

"Our companies, however, are contributing to local development." Instead of redistribution of land, Patterson favors the creation of large land corporations, which would pay—and educate—the masses better.

Then they, too, would have essentials—and more stimulating leisure. ◆

#### Sound Off . . .

Much of Sales Management's editorial planning is ignited by subscribers themselves, through their letters-to-the-editors. We not only welcome your reaction to SM articles, but invite you to tell us what subjects you'd like to see us tackle. Write: Sales Management, 630 Third Ave., New York 17, N.Y.



# DETROIT MEANS BUSINESS

The NEWS brings the business to you!

Detroit presents advertisers with a glowing picture for 1960.

**PRODUCTION** schedules of new cars and trucks call for 40% increase the first quarter. Sales forecasts indicate a total of more than 7 million cars for the year.

**TOTAL EMPLOYMENT** is expected to increase 6% in 1960, with 1,355,000 at work . . . highest in the past five years.

AVERAGE WEEKLY FACTORY WAGES in 1960, according to forecasters, will jump 4% to a record-breaking \$121—highest of all major markets, by far! Total income of all Detroiters should jump 15% over 1959.

**RETAIL SALES** last year surpassed the record \$5.04-billion set in 1955, and predictions for 1960 are for a 10% increase over 1959.

In 1960, more than ever, DETROIT MEANS BUSINESS!

You can share in Detroit's 1960 prosperity by advertising aggressively and regularly in The Detroit NEWS. You reach more people in the Detroit trading area through The News than any other Detroit newspaper. Because its circulation is concentrated in this densely-populated area, you get more results. That's proved by the records. The News carries more linage than both other Detroit newspapers combined, year after year!

The Detroit News

Largest Trading Area Circulation, Weekdays and Sunday

New York Office: Suite 1237, 60 E. 42nd St. - Chicago Office: 435 N. Michigan Ave., Tribune Tower
Pacific Office: 785 Market St., San Francisco - Miami Beach: The Leonard Co., 311 Lincoln Road



#### A. Ruth Hahn

A. R. Hahn, "Ruth" to her associates and to untold numbers of Sales Management readers, passed away peacefully in her sleep on the morning of January 28 at the Stamford, Conn., General Hospital, a victim of cancer.

During her entire business career, starting in 1922, she was connected with Sales Management, beginning as an editorial assistant and rising to Managing Editor, then Executive Editor, and most recently Vice President, Editorial. Many who were familiar with her signature, A. R. Hahn, were startled on first meeting her to find that instead of the man they expected, here was a charming, vivacious woman.

She played an important role with the late Raymond Bill in bringing together in 1935 the group which founded what is now National Sales Executives, Inc. Twenty-three years later the association honored her as "Business Woman of the Year," with a citation reading, "one who, by inspiration and guidance, has made a signal contribution to the science of marketing."

An editorial which she wrote for this magazine sparked the formation in 1954 of the Sales Promotion Executive Association. She was a past Vice President, editorial division, the Associated Business Publications, Inc., and served a term as President, New York Business Paper Editors Association. She was the author of the widely circulated volume published by Sales Management, "Shop Talk About Selling," now in its fifth edition.

Ruth Hahn was born July 3, 1901, in Springfield, Ill., where her family ran a store. At the University of Illinois she majored in journalism and graduated in 1922 with high honors and a Phi Beta Kappa key (which with characteristic modesty she never displayed). In the summer of that year she applied for a position with the Dartnell Corp., Chicago, and J. C. Aspley, founder of Sales Management magazine and the retired head of Dartnell, says of her, "She talked so convincingly that we made a job for her in the Sales Department, setting up salesmen's quotas and figuring commissions. But Ruth had her mind on editorial work. She began writing shorts and news items for SM. When the managing editor needed an assistant, Ruth was right there. She soon had the responsibility for putting the paper to bed. She gave the printer downstairs a hard time but the magazine got out on schedule."

When Bill Brothers Publications bought the magazine in 1928 and transferred operations to New York, Ruth came along as associate editor. In the ensuing 32 years she trained and inspired dozens of young writers and gave selflessly of her time and talents to job seekers and others who needed help or advice.

Private funeral services were held in Stamford and Springfield. Memorial gifts may be sent to the research fund of the American Cancer Society, 521 West 57th St., New York 19, New York.

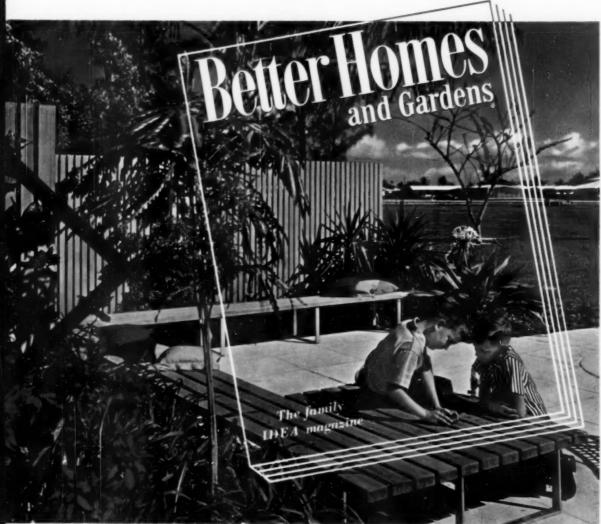
# People looking for ideas the



Better Homes and Gardens.

5,000,000 copies monthly

# look to family IDEA magazine



Outside, inside, wherever the family goes, BH&G leads the way with the sort of ideas that grow into action

Whenever somebody with an itch to change things meets an idea that says, "Here's how!"—that's where a sale begins. And that's BH&G all over! It puts do-it-now readers and here's how ideas together in an atmosphere that means business.

Each month now, almost sixteen million men

and women look to Better Homes and Gardens for ideas. During the year, a third of America—the family-centered, top-spending third—turns to BH&G for ideas they can turn into action. Meredith of Des Moines... America's biggest publisher of ideas for today's living and tomorrow's plans

where America shops for ideas that make sales





#### New, High Capacity Vans Move High Value Items with Softer Air-Cushioned Ride



Greater Accessibility for forklift handling at both side and rear ... flexible double-decking advantages as shown in top photo.



America's Most Recommended Mover You can count on trouble-free moving for any high value equipment you make. Use
of these specially designed vans offers maximum utility and protection no other carrier
can give.

Higher, wider doorways at side and rear make it easy to forklift bulky loads safely into the van. Tie-down rings in the floor, as well as in walls, make the securing of valuable articles a quick and easy operation. New-type tandem axles with air suspension soak up road shocks and cushion the ride.

You also gain obvious advantages in time and costs saved by not having to pack or crate expensive equipment and exhibits. Careful Mayflower handling and padding provide the guarantee of safety you require. Scheduling and delivery is supervised by experienced moving men . . . backed by the reliable, world-wide organization of Mayflower, largest owner of moving equipment.

You won't know what satisfaction means until you first use Mayflower!

AERO MAYFLOWER TRANSIT COMPANY, INC. . INDIANAPOLIS, INDIANA

## Kaiser Sells Aluminum When It 'Sells' NAHB-Built Houses

In one year Kaiser tripled the use of Aluminum in new NAHBbuilt houses in six test cities. Model houses using Kaiser aluminum and service centers for builders and consumers pushed use of the material. More service centers are planned for 1960.

Based on an interview with
WILLIAM H. SLEMP
Manager, Business Development—Residential
Kaiser Aluminum & Chemical Corp.

"You can't begin to sell until you have acceptance."

This paradoxical statement by William H. Slemp, manager, business development – residential, for Kaiser Aluminum & Chemical Corp., Oakland, Cal., sums up Kaiser's attitude in starting a program that is winning gratifying results—a program to put more aluminum into new homes. The company capsules this objective in the new sales slogan, "Every new house represents a potential of over 1,000 pounds of aluminum."

Kaiser Aluminum laid the groundwork for this long-range goal in 1959 by selling not aluminum, but houseshouses with aluminum in them. And now, in 1960, the company is about to take another big step in market development of residential use of aluminum. Latest plans include the extension of the 1959 6-city test program to nine more cities. This total of 15 cities represents 48% of the overall market in terms of the number of houses to be built. The 1960 program also includes the opening by Kaiser Aluminum of two Aluminum Building Products Service Centers for displaying its customer-fabricators' products. The center will feature an educational program to train builders in the why-when-what-where-how of the use of aluminum, and show consumers why they should buy houses with aluminum in their construction.

In 1958 when the company began to plan seriously for heavily increased use of aluminum in houses, the amount of aluminum per house was about 130 lb., represented by an average of three aluminum items in each. After a year of market development which involved no direct promotion of aluminum products, in the test program undertaken in Dallas, New Orleans, Kansas City, San Diego, Minneapolis, and Hartford, Conn., the average poundage of aluminum per house was increased to 380, represented by 14 items per house instead of the original three. These were model houses, 522 of them, put up by 267 builders, and were pilot models for some 12,000 houses to be built thereafter. How was such fast acceptance won?

Briefly, it was done by tieing in with locals of the National Association of Home Builders, which builds 80% of the houses put up in this country. The company helped these builders sell homes by demonstrating that aluminum products used in construction can contribute to quality and provide a "competitive edge" (to quote from the title of an educational brochure developed for the program) — without raising costs.

Swerving away from the approach taken by the rest of the industry, Kaiser Aluminum set out to demonstrate, not that aluminum is worth its higher price because of its various advantages, but that the bulk of aluminum items can be installed at equal or lower cost in comparison with competitive materials. The idea was, as Slemp puts it, "not to sell original cost, but installed cost." That's the bedrock on which the Kaiser Aluminum campaign for residential aluminum products is founded. Kaiser Aluminum went to the customers of its fabricators to find out how they could best be sold. There are 37 items made by fabricators using Kaiser Aluminum metal that can go into houses. The company worked out methods of installation, approved by the Research Institute of the NAHB, which would result in on-site labor cost savings with the use of 20 of the 37 products. A 16-page booklet was then produced ("Research Report Plus 20 Ideas FOR THE COMPETITIVE EDGE in Home Construction") describing in detail how these 20 aluminum products were used in a model house by a nationally known builder (The Woodlark House, by W. Evans Buchanan, built at Wheaton, Md.).

Given the go-ahead by NAHB, Slemp attended the May 1959 semiannual board of directors meeting and there presented his plan to the 867 directors and almost as many alter-



ALUMINUM SUPER MARKET—Kaiser set up display and service centers in Dallas (above) and New Orleans for fabricators of aluminum products and their customers. Centers have proved so successful that the company will open two more this year.

nates who were in attendance. The plan was: to feature, in specified Kaiser Aluminum promotions, model homes which included ten or more aluminum products, to help the builders sell their homes, and to provide technical aid to them in achieving higher quality at lower cost through the use of aluminum.

The response was astonishing. Of the builders planning model homes, 100% went along with the Kaiser Aluminum plan. It should be stressed that no products were given away. The builders bought the aluminum products they used on the regular market. If anyone wished to buy a competing item, no attempt was made to switch him to a product fabricated by a Kaiser Aluminum customer. "Our aim, first and foremost," Slemp emphasizes, "was to get aluminum accepted."

Next, Slemp and his aides went to the NAHB locals in the six test cities and presented the program to their paid executive officers and other elected officials. The gist of the message was: "We want to come into your town and help you sell houses . . . not Kaiser aluminum or any other aluminum." A folder, "Buy a New Home Now," was given to the builders for distribution to their prospects, and a proposed advertising program was outlined.

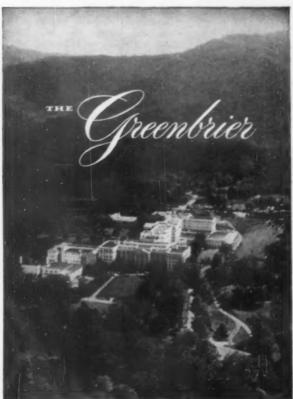
The advertising would include: TV commercials on the Kaiser Aluminum "Maverick" show which reaches some 46 million viewers. A one-minute commercial would plug home buying from a professional builder, member of the NAHB, as the best investment in the future. No mention would be made of Kaiser or of aluminum in this part of the program.

The "Buy a New Home Now" theme would get 100% showing on outdoor boards for 30 days in each of the cities participating; full-page, 2color newspaper advertisements in major newspapers and 1500-line, 2color space in others would feature the program and list participating builders. Radio spots were to be used on major stations during National Home Week. Other media would include: king size bus posters, ad mats for the use of builders, display signs for lawn use or indoor display in homes, consumer giveaway folders, identification cards for aluminum items in model homes for use by

builders participating in the program.

When the NAHB locals had agreed to the program, as all did, the company set up what it called an aluminum super market. In approximately 1,000 square feet of space, the aluminum products made by fabricators who are Kaiser customers were placed on display. Builders were invited to a breakfast or luncheon and viewing party. Between 20 and 25 Kaiser Aluminum customers brought in their products, anywhere from 3 to 10 apiece, some customers competing with others. One Kaiser Aluminum product, the Shadescreen, was included. About 80% of the builders in each town took advantage of the opportunity to learn about aluminum products for home construction.

This super market idea was so successful that it formed the nucleus of the Aluminum Building Products Service Centers which Kaiser Aluminum is setting up—in Kansas City and in Cleveland—as a major feature of its 1960 campaign. The centers will have permanent displays of aluminum products made by Kaiser Aluminum's customer-fabricators. And in addition, two men attached to each of the centers will hold weekly training courses



#### AMERICA'S INFORMAL BUSINESS CAPITAL

You will find at The Greenbrier the perfect setting for your conference, whether it be for ten or a thousand people. The new, air-conditioned West Wing has an auditorium with a 42-foot stage, new sound and projection machines, splendid banquet arrangements, and a theatre with a CinemaScope screen. Accommodations are magnificent; the food is gourmet fare. For after-session enjoyment The Greenbrier's recreational facilities are unsurpassed. And our staff of experts not only helps in planning your program, but they also handle the details to carry it through successfully.

Special Winter Rates available on request. Include a spacious, luxurious room and The Greenbrier's traditionally fine meals, green fees (our courses are playable much of the winter), swimming in mosaic tile indoor pool, membership in the Old White Club and gratuities to service personnel. EFFECTIVE DEC. 1, 1959-FEB. 29, 1960.

FOR INFORMATION write Charles L. Norvell, Dir. of Sales. Also reservation offices: New York, 17 E. 45th St., MU 2-4300 Boston, 73 Tremont St., LA 3-4497 • Chicago, 77 W. Washington St., RA 6-0624 • Washington, D. C., Investment Bidg., RE 7-2642 • Glen W. Fawcett: San Francisco, 1029 Russ Build-

ing, YU 2-6905 • Seattle, 726 Joseph Vance Building, MU 2-1981 • Dallas, 211 N. Ervay, RI 1-6814 • Los Angeles, 510 West Sixth Street, MA 6-7581.

Greenbrier

WHITE SULPHUR SPRINGS . WEST VIRGINIA



# How to build more effective TV commercials

In actual TV tests, the Good Housekeeping Guaranty Seal increased commercial effectiveness 20%...27%...30%...51%...

Recently the Schwerin Research Corporation, whose clients include leading networks and advertisers, tested the commercials of several major TV advertisers, then re-tested them with the addition of the Guaranty Seal.

RESULT: Commercials with the Seal showed an average increase in effectiveness of 32%.

Increases due to	ade	dition	of	Gu	are	inty	Seal
Appliance A							20%
Breakfast Cere							27%
Cosmetic C.							30%
Prepared Mix	D						51%

These facts demonstrate once again the cumulative *confidence* that has been built up in Good Housekeeping and its Guaranty Seal over 75 years.

There are some products and some claims that may never earn our Seal, or the sales influence it enjoys among 40,930,000\* women. But if you make a good product, and want to sell it with conviction, let us show you the Schwerin results and discuss how that selling influence can go to work for you now—on TV, and everywhere.

## Good Housekeeping

MAGAZINE AND INSTITUTE

A HEARST MAGAZINE

in the products' application and use. Builders will be invited to take the courses and to bring in their own prospects and customers, showing them the advantages of buying a new home with aluminum used in it.

In each of the cities to be added, a technical man will be stationed to work with builders on an educational basis.

The first three months of 1960 will be devoted to solidifying the acceptance already won and extending it. After that, an intensive education program will be started and the foundations laid for actual selling. The company intends to continue its aid to builders on the home-selling front ("Money will be tight in the spring of this year and they'll need additional promotional help," Slemp observes) with a program similar to '59's.

By 1962, after the Kaiser Aluminum sales team has been brought in to map the hard-sell program, the company expects to see not less than 500 lb. of aluminum used in each new house, with the 1000-lb. objective due to be realized sometime during the 60's. As Kaiser sees it—and NAHB is reported to be in agreement—aluminum has the greatest potential of any new material being used in homes. With new home construction the largest single industry in the U. S.—larger

#### About the Author

William H. Slemp has a history of market development. For 20



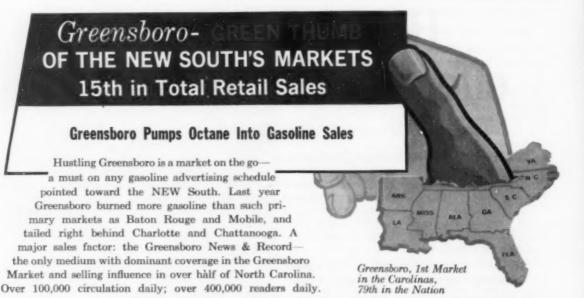
William H. Slemp

years he was associated with Frigidaire Division of General Motors and, as manager of the company's Building Industry Sales Dept., was responsible for developing and implementing Frigidaire's marketing program to the building industry. Later, as an executive of the National Assn. of Home Builders, in Washington, D.C., he directed a program under which building industry manufacturers cooperated in developing and marketing their products.

He joined Kaiser Aluminum & Chemical Corp. in 1958. As manager of residential business development, he has been the force behind Kaiser's program of marketing aluminum through home building.

than oil, steel or automotive manufacture—Kaiser feels that the building market offers the greatest single potential for aluminum sales in the years immediately ahead.

"And that's why," Slemp emphasizes, "we are interested in seeing more homes sold. Our customer-fabricators can sell their products only if homes are built." ◆



Write on company letterhead for "1959 Major U. S. Markets Analysis" Brochure of all 292 Metropolitan Markets.

## Greensboro News and Record GREENSBORO, NORTH CAROLINA • Represented Nationally by Jann & Kelley, Inc.

#### The Past:

#### Employment

Year April September 1950 102,900 1955 140,200 1958 174,700 1959 196,100 234,900 State Department of Employment

#### Retail Sales:

Year								In 000's
1950						*		.\$302,670
1955								.\$554,803
1958				×	×			.\$720,673
Sales Management								

#### Bank Debits:

Year	In 000's
1950	\$1,581,700
1955	\$2,461,600
1958	\$3,625,184
1959	(II-mos.) \$4,136,060
12	th Federal Reserve

## Q. Say ... What About San Jose?

A. "Look at our past, and who shall say where shall be the limits to our future greatness?"

 J. J. Owen Editor, San Jose Mercury May 14, 1869 Inspired by the driving of the golden spike linking East and West, Editor Owen was more prophetic than he knew. The ponderous iron horse did indeed bring growth and prosperity to San Jose, as have the automobile and the airplane in turn.

Now, in the space age, Santa Clara County ranks high in research and electronics-and the future holds even greater promise...

#### The Future:

#### 1965 Estimates

1965 (Proj.) Rank. In 000's Rank In 000's Population 33 826 49 566 1/1/59-1/1/65 33 \$1,893,592 41 . \$1,113,058 \$1,218,326 41 \$ 720,673 Sales Management

#### 1985 Estimates

Estimates	
Population	Proj.) 00's
TRS*	,450 550
Plantieum & Flessig; Livingston	000 &
*Projected from city estimate share-of-county percentages,	and

You Cover San Jose Only With

## MERCURY and NEWS

A Ridder Newspaper

Member of Metro Sunday Comic Network and Parade.

Up - and - Coming Billion Dollar Market!

The simple convolutions at the right demonstrate how powerful a one and a half-page design can be—and how big the space looks.

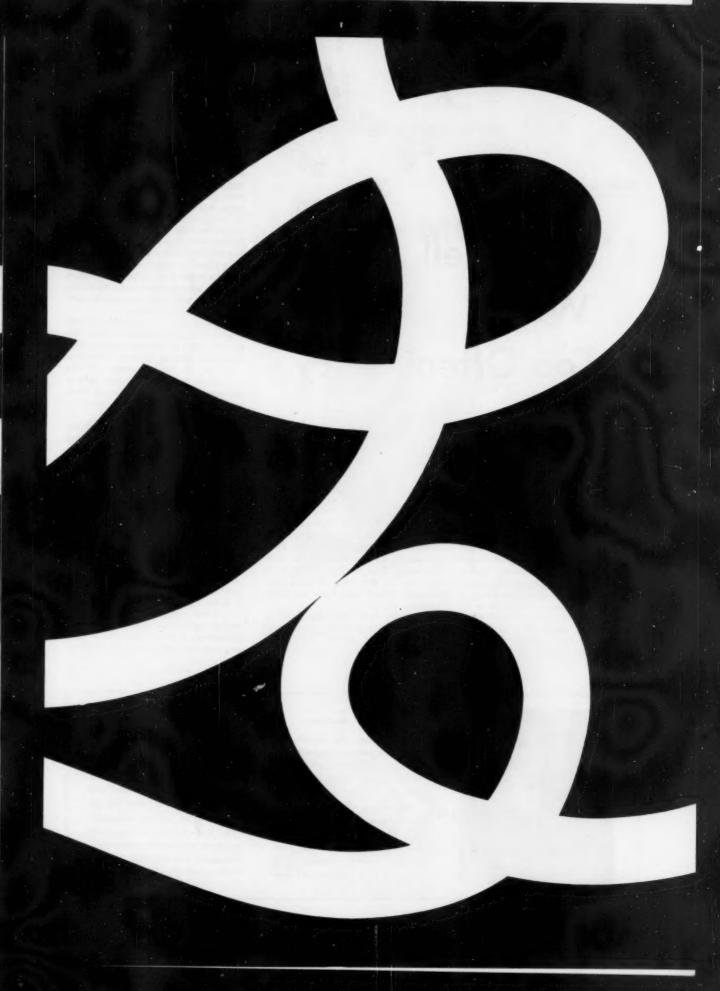
It suggests how the use of certain looping forms and the exploitation of bleed can create a feeling of activity and spaciousness.

Or . . . but no, its job is done if you have begun to think about the imaginative use of space, of how it can be manipulated in a way that greatly magnifies the impression your advertising communicates.\*

Then to give it added impact . . . Fortune.

\*From a forthcoming book by Fortune's Art Director Leo Lionni on the effective use of design concepts in space advertising. Fortune advertising representatives will have copies.







Writing a bulletin that goes out to sales reps can be one of the most valuable functions of a sales manager—or it can be a complete waste of company time and money. Every sales bulletin that is now being written and sent falls somewhere between these two extremes. The trick is in knowing a few basic ground rules which, when followed, make these bulletins the most valuable sales tool your company's reps can receive.

Our firm believes that sales bulletins should be like visits from relatives. If they come every seven days, you begin to cringe when the doorbell rings. This analogy serves to illustrate the first rule of good sales bulletins: Don't send them out every Monday morning.

If you've fallen into the habit of sending out a bulletin every seven days, change it. If you don't you'll find your bulletins containing a lot of cliches, clever and tantalizing selling phrases, and dull material that is just not interesting to the very busy sales representatives who are associated with your firm.

These reps are not trainees who might prove inadequate unless they're constantly prompted from the side lines with "what to say" and "what not to say" to their customers. They are mature, seasoned, experienced men, who have spent years selling, or trying to sell, people who rightly should be your customers. They're not looking for a regular Monday Morning Pep Talk, or a thesis on "Timing your Calls," or other worn-out themes. They're looking for price and product changes, specific information that's designed to sell your company's merchandise and/or services.

If Joe Jones, your quality control engineer, has worked out a new improved way to get permanent, friction-proof linking to your Kossaskadeek line of hoist buckets, tell the reps about it. They probably have a customer or two in mind who's been looking for this improved process for months.

But if you've sent a half dozen sales bulletins in a row that discuss things like "Keeping Records of Your Customers' Names, Hobbies, Likes and Dislikes," or "Enthusiasm" and similar overworked essays on sales, chances are a sales rep has been tossing them in the circular file without even a second glance. As a result, he barely glances at the bulletin featuring an important product improvement that you anticipate will put your firm head and shoulders over competition.

This points up our second rule: If it isn't important, don't send it.

Let me interject here that wellwritten articles on selling are not, in themselves, taboo. From time to time you can prepare an entire bulletin or



#### About the Author . . .

Ben Sander, vice president in charge of sales at Nixdorff-Krein Mfg. Co., has been working with manufacturers' reps and salesmen for the past 36 years.

He started as a stenographer with Nixdorff-Krein 36 years ago, and since then has worked his way up through the company as a clerk, salesman, sales manager of a division, and then in 1955, vice president in charge of all sales.

Much of his time is devoted to traveling throughout the United States working with the Nixdorff-Krein salesmen and sales agents who cover the entire country selling industrial, tire and tractor chains, wire products and certain farm implement products to jobbers, wholesalers and manufacturers.

part of one on such subjects. When you do, however, try to give some new twist on the subject rather than a re-hash. Subconsciously, at times, you may fall back on items you've heard or read. If you think it's good enough for a group of busy, intelligent sales reps, ask the writer's permission to use all or part of it; then go ahead and use it in the bulletin. But in the main, strive for your own, actually experienced subject matter written in natural conversational newsletters.

Which leads us to our third important rule: Send all bulletins in care of reps' home office, not directly

to the reps.

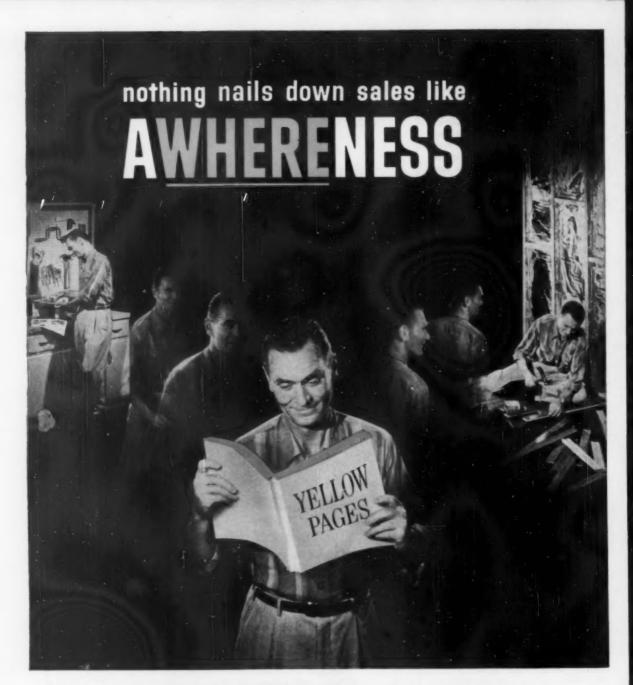
In cases where two or more reps work out of a single parent sales office, it frequently is better to send the required number of sales bulletins for that office to the man in charge. This gives each office head the prerogative to pass sales bulletins along to his men, govern timing of distribution.

► True, you risk the possibility of his rejection of one or more bulletins, but if you feel you might be guilty of sending secondary quality sales bulletins, think of this for a minute: You are in competition with other manufacturers for the rep's time. If you are not doing a top job of selling the sales rep, he will devote more time to selling other firms' products. But when he's sold solid on you he'll do an extra good job on his customers for you. If your sales reps are scattered from Maine to California as ours are, you've got to send them a good sales bulletin to keep ahead of your competitors.

What's important enough to include in a sales bulletin?

Answer that question squarely and you're on the right track to good sales bulletins. I would say that you should include any news of interest that conceivably could help your representatives to sell your product or services. Try to write with a minimum of flourish and fancy phrases, but without writing monotonously either. If what you write sounds natural, the way you might talk to a single sales representative sitting in the car en route to a customer or prospect, put it in. If, when read aloud, it sounds corny, phony or "inspirational," and just is not you talking-read it again, aloud, once or twice. If you're still in doubt about its news-worthiness or sincerity, then silently pitch it in the nearest waste basket-or better still, send it to the competitor who's been giving you a rough time in the field, and suggest that he put it in his next "Monday Morning Rise-and-Shine Sales Bulletin." •





#### and nothing builds AWHERENESS like the Yellow Pages

From Hardware to Lumber, whatever you sell, you'll sell more when AWHERENESS of your product or service directs prospects to your local outlets—through the Yellow Pages.

For the manufacturer of national brand-name products, Trade-Mark Service in the Yellow Pages tells prospects where they can find his local outlets. For the local businessman, Yellow Pages advertising makes the community aware of the products and services he offers.

Remember, nothing builds AWHERENESS for your business like the Yellow Pages—the shopping guide used by 9 out of 10 shoppers.

Let the Yellow Pages man help you plan an AWHERENESS program for your business. Call your local Bell telephone business office today.

The advertising medium that tells people where to find your local outlets!



## Who Says They Won't Pay for Quality?

Nobody figured on a market for good-as-home baked-goods, sold in a super market—until Sara Lee decided there were people who would pay for the best. Company counts on "Q" factor.

An almost fanatic emphasis on quality has placed the Kitchens of Sara Lee in command of a national baked-goods market previously served by no one. By exerting the same "Q" factor in packaging as well as selling techniques, the Chicago-based company has already exceeded '58 sales by over 80%.

Sara Lee moved in on this "non-existent" market back in 1951 when President Charles W. Lubin saw the possibilities of producing a line of premium quality baked-goods exclusively for super markets and local grocery stores. Until that time, food store cakes were of mediocre quality and sold for less than half of what Lubin planned to charge—an unprecedented 79 cents.

▶In 1951 the housewife had three choices: buy a food store cake of so-so quality at a low price, hike over to the neighborhood bakery for a higher quality cake, or tackle the baking job herself. She could not buy a really top-quality cake in the same convenient place she bought practically everything else—her super market or grocery store.

Lubin decided she should have this privilege, and that Sara Lee should have the profitable opportunity of filling this product vacuum. He told her so by saying that "The Sara Lee cake now at your super market is as fine as any you bake at home or purchase elsewhere."

"Apparently," adds Sales Vice President Mandall Kaplan, "every time we've introduced a new product, we've filled another portion of this vacuum."

The fact that the company has committed itself to producing a prime quality product has necessarily limited new product introduction. According to Kaplan, "In nine years, we've introduced only eight new cake products, three of them offered in 39c-regular as well as 79c-family sizes. But there's a good reason for what might appear as a laggardly development program. Some of our



THREE-WAY QUALITY is emphasized for this coffee cake: quality of product, package, selling technique. Grocers are sold on fast turnover and on high profit-ratio.

products have spent as long as a year and a half on their way to market. We simply cannot bring out something new, at the Sara Lee quality level, overnight. Our newest item, Chicken Sara Lee, is a perfect example of how this threefold emphasis on quality in product, packaging and sales techniques, creates what every sales manager is looking for — a successful, effective marketing tool."

Continuing, Kaplan says, "On the product end of it, here's what our salesman tells his customer: 'It took us 18 months to develop Chicken Sara Lee. Why? Because the eight top-quality cake products that preceded it were equally time-consuming in quality development, and each of them has meant a higher sales and volume profit for you, the grocer, than practically any other food item you handle. Chicken Sara Lee is simply the latest in this quality/profit succession.'

"This hits a customer where he feels it, in his wallet. He knows we mean what we say because we've done it before. Incidentally, Chicken Sara Lee represents the first major product diversification for the company, but one which was envisioned back in the beginning. That's the reason for the general nature of the company title. Even in '51 we knew the word 'bakery' would eventually hobble us."

On the presentation, he goes on, "The salesman lays the finished Chicken Sara Lee package in front of the customer and says, 'You know the product is top quality, now take a look at the package—it carries through beautifully on the quality theme. We refused to use an ordinary polyethylene bag to bring the product to market. As it turned out, the housewife now drops the new Mylar pouch in boiling water for eight minutes and it's ready to eat. She doesn't

get her hands wet or burned because of a slot at the top of the pouch through which it can be lifted with a fork or other utensil."

Kaplan adds, "She won't even have to use scissors or knife to open the pouch after lifting it out of the water: A small "V" notch at the side of each pouch allows her to open it by tearing across at this point. In addition, the bag empties without any leftover product to scrape out. There is even a half-inch grip-flap at the bottom of the Mylar pouch for still easier handling. Instructions are contained on the outside box, which also bears a full-color picture of Chicken Sara Lee.

"By this time," says Kaplan, "the customer is aware of the quality of the product and the quality of the package. Now he wants to know whether Sara Lee is a 'quality deal' for him. He's usually amazed to find out that no one gets a free trial case of Sara Lee products—no one from the biggest chain down to the corner grocery. At this point it's not too hard to convince him that the same old point—quality—has placed us in the position of not having to give away our brand new product in order to sell it."

As the frozen-product presentation

is closed, these points are hammered home:

1. Sara Lee quality consistently produces a high percentage of profit—the Super Value study done by Progressive Grocer showed that the average percentage of profit for all frozen foods is 20.3%; the Sara Lee percentage of profit is 23.4% (ex warehouse) and 25.1% (ex truck)—a full profit on every sale, with no markdowns or price cuts needed to achieve volume sales.

2. Sara Lee quality continues to produce higher dollar profit per linear foot of freezer space - Kaplan points to a New York chain study showing that Sara Lee cakes ranked sixth out of 69 regularly displayed specialty items in profit per linear foot, and yielded the largest weekly gross profit of any of the 69. A similar study in New England revealed that Sara Lee cakes occupying only 5% of the freezer space produced 8% of the gross dollar profit. By comparison, frozen vegetables occupied 18% of the space, produced only 15.9% of gross profit. Meat pies occupying 10% of space, yielded only 5.4% of gross profit. The Sara Lee product occupied minimum display space, yet produced a top dollar profit.

3. Sara Lee quality means higher unit-dollar sales — a survey of typical frozen food price lists showed that Sara Lee cakes produce higher unit-dollar sales than 82% of the items regularly carried. Briefly, this means that a market must sell four 19c items to reach the same dollar volume as one Sara Lee cake sale at 79 cents.

4. Sara Lee quality has produced high-volume, fast turnover—the same study revealed that Sara Lee cakes with just half the amount of freezer space as all frozen meat pies, produced 27% more dollar volume. Also, with less than a third of the space devoted to all frozen vegetables, Sara Lee cakes produced half as much dollar volume. The New York study showed that of the 69 frozen food specialty items carried, Sara Lee cakes were first in sales, averaging 44% higher weekly sales than the next best seller.

"In short," says Kaplan, "the customer is informed that Sara Lee quality, whether in cake, chicken or anything else we might come out with in the future, means more profit dollars for him than practically any other product he handles.

"While we've tried motivational

Make no mistake about-

#### There's more to Salt Lake than Salt Lake . . .

1½ million prosperous prospects is a worthwhile market NO MATTER WHERE YOU FIND IT! That's why we say, "There's more to Salt Lake than Salt Lake." In addition to reaching and selling the ½ million persons in Salt Lake City,

an advertising schedule in The Salt Lake Tribune and Descret News and Telegram opens the door to a million more in the four state area served by these two metropolitan newspapers! It's an exceptional market that's the exception to buying by the city population only.



#### **Industrial Clearance Sale**



Save up to 80% on new, first quality cable

Bergen Wire Rope Company is one of America's leading producers of cable and cable assemblies for nearly every industrial use from materials handling to airframe assembly. In the process of re-tooling for new products, we have decided to close several thousand feet of space which have been used for storage of "odd loes" of cable. We are offering this \$100,000 odd lot inventory at from 30 to 80% off regular price. Included is plow steel, improved plow steel, stainless steel and phosphor bronze cable in disconsers from .028" to 1", galvanizad and bright finishes, most preformed with hump or IWRC, in lengths from 25 feet up to 70,000 isse. Everything subject to profer sale.

For complete catalog of offerings, write or phone:

#### BERGEN WIRE ROPE CO.

Gregg Street, Lodi, N. J. . HUbbard 7-3521

"Specializing in the Unusual"

## THIS AD

by the Bergen Wire Rope Co., of Lodi, N. J., announced a \$100,000 clearance sale of steel and bronze industrial cables—in odd lots from 25 feet to 70,000 feet. It was published in The New York Times Business-Financial pages on October 18, measured 8 in. by 3% in., and cost \$614.10.

## PRODUCED THIS RESULT

More than \$30,000 of the cable was sold within 10 days after the ad appeared, reports W. E. Herdman, sales administrator for the company. Replies were still coming in a month later. "We have received over 175 bona fide leads... and are confident that the balance of the stock will be purchased by direct respondents to the ad. We are convinced that you can sell anything in The Times." Here is another example why today, as always, it pays to advertise

## IN THE NEW YORK TIMES

first in advertising in the world's first market



#### CABIN SAILING CRUISER

Boating is the rage . . . and the Silhouette offers an inspired idea for the sales contests and other promotions where the idea of the prize creates excitement.

The Silhouette Mark II is fabulous! Only 17'8" long yet she sleeps two in comfort, has luxury features never before crafted into a boat at this price.

Send for complete literature. Learn how this Cruising Sloop can help increase YOUR sales. Write: Findlay Corsar,

SILHOUETTE MARINE, LTD. 150 Spring St., N. Y. 12, N. Y.





Sara Lee's Mandall Kaplan

Filling the Vacuum . . .

to Sara Lee's Sales V-P Mandall Kaplan, who claims that the company's so-called "blind" newproduct introductions have needed no market research preliminaries because, "Let's face it, quality sells!"

Kaplan joined Sara Lee in 1954, recently came to grips with a problem many sales managers would like to have—his sales began to outstrip production. At the moment the company is in the midst of a crash program to expand production capacity.

research programs and market evaluation studies in the past," he continues, "we've shied away from them as the real value of our quality emphasis has become apparent. We've found that with each new product that we've introduced, the quality factor has sold above any other consideration. The consumer herself has responded by paying more money for a better product, it's that simple. As it stands now, it's no longer a question of whether the product will succeed or not, but of how successful it will be.

"The fact that we selected the New York market for Chicken Sara Lee's introduction is not particularly strange. If it goes there, it'll go anywhere, at least that's the way we feel. And besides, New Yorkers are just as sensitive to quality as anybody anywhere else in the country. Some say we rushed blindly into this latest introduction. I say it wasn't blind. If it was, then we have seven wildly suc-

cessful, and equally as blind, new product introductions behind us!"

➤ V-P Kaplan goes on to say, "If you want people to associate quality with your name (and let's face it, quality sells!), you can't simply make a quality product and ignore the packaging or sales program, or vice versa. It's everything, or nothing."

On media, "We've used television spectaculars and Arthur Godfrey on radio. In addition, we use Captain Kangaroo on TV for children. We're in outdoor signs in a big way as well as in national newspaper and magazine advertising. Full-color point-of-purchase 'shopper-stoppers' are particularly effective for us because they allow us to carry appetite appeal and the quality theme right through to the cash register."

The current advertising and promotional budget, according to Kaplan, will be in excess of \$2 million this year, based on an expected gross sales figure well in excess of \$20 mil-

Sara Lee operates by route delivery to individual stores within the greater Chicago market. Here, goods are not frozen. In addition, the company sells through a second independent route-truck system in cities reached by overnight truck service. The rest of the country buys frozen Sara Lee products, comprising, by far, the major portion of the firm's business.

Does the often jaded quality appeal really work? A letter now going out to customers reads: "We apologize for the delay in filling your orders. Our production facilities have recently been expanded and we hope that you will understand that we are doing everything possible. . . ." • RAK



CHICKEN BRANCHES OUT for Sara Lee. This is first change from baked-goods.



#### .. LIKE CALIFORNIA WITHOUT

#### THE BILLION-DOLLAR

#### VALLEY OF THE BEES

- · Actually, total effective buying income of more than \$3 billion
- More people than each of 18 states
- Not covered by San Francisco and Los Angeles newspapers

The coming of the VIII Winter Olympics to Squaw Valley, California, focuses a lot of attention on winter sports in Inner California, the area of the Billion-Dollar Valley of the Bees. However, this is no shock to the Bees. For years they have promoted and publicized winter sports events — and they will give complete coverage to the Games.

Don't let your message get a cool reception in Inner California. Tell your story in the Bees—the papers that go home.

Data source: Sales Management's 1959 Copyrighted Survey

- THE SACRAMENTO BEE
- . THE MODESTO BEE
- . THE FRESNO BEE



#### MCCLATCHY NEWSPAPERS

NATIONAL REPRESENTATIVES . . . O'MARA & ORMSBEE

McClatchy gives national advertisers three types of discounts . . . bulk, frequency end a combined bulk-frequency. Check O'Mara & Ormsbee for details.

#### TRANSPORTATION ADVERTISERS-JAN: FEB. ISSUES-1960 International National Beech Harvester Eastern Truck Aircraft Trucks Express.Inc. Leasing Air American Chevrolet Express Motors Trucks Association American of American Trucking Railroads Association Baltimore Greyhound & Ohio Package Hertz Railroad **Express**

To get more corporate executives without the corporation wives. Advertising costs being what they are today, it's an expensive luxury for business advertisers to use magazines which have an equal appeal for executives' wives. Few of them buy trucks. Or business machines, or business insurance.

That's why a growing number of advertisers are turning to NATION'S BUSINESS. Practically all of its 750,000 subscribers are businessmen. Twenty-three thousand are executives in 499 of the top 500 industrial corporations. The rest manage some 500,000 other companies that also are large-scale users of trucks and transportation services. These customers can't be

reached by advertising in any other management magazine—none has enough circulation.

With NATION'S BUSINESS, you tell your story out in the territories where your salesmen and distributors are working. And you get direct sales action: leads to follow up—many of them medium-sized prospects your salesmen seldom have time to call on.

So . . . if you want to move deep into the nation's business where there's plenty of new business to be had (and do it economically without paying for a lot of "non-working" circulation), NATION'S BUSINESS is the magazine to carry your advertising. More and more informed advertisers are using it.

Nation's Business
UNIONS
BUILD

YOU USE NATION'S BUSINESS...TO SELL MORE OF THE NATION'S BUSINESS

# Electronics Maker Solves Time Problem With Ship-from-Stock Program

G. H. Leland, Inc., Dayton, Ohio, found it possible to leave the merry-go-round of prototype products, impossible delivery dates at high production cost. The answer—shelf-stock orders, minimum order rates for custom-made products and small orders.

Most makers of electronic products find themselves racing against time. In this fast-moving industry, products and requirements change overnight. Most products have to be custom designed and custom made.

Purchasing agents, under constant pressure themselves, are relentless in seeking firm commitments on delivery of electronic products. Sales engineers promise their best, but know that isn't good enough unless the goods are delivered on time.

Here is how one smaller manufacturer is solving its time problem.

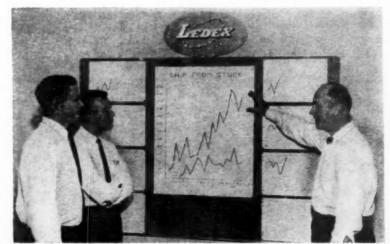
G. H. Leland, Inc., of Dayton, Ohio, has, since its founding during World War II, based its marketing on the custom adaptation of a handful of basic designs of complex electronic components. In meeting customer requirements, the number of designs has mushroomed into thousands.

Because almost every order was for a prototype product, manufacturing lead time—from design to finished product—ran from four to six weeks, sometimes longer. As fast as designs became obsolete, others had to be created to meet new requirements.

As sales, now "several million dollars," and the number of products grew, several facts of business life became evident to Leland management:

- Because there were no off-theshelf products, the customer always insisted on custom-made designs.
- 2. Because there were no stock items, every order was practically a prototype order.
- Small quantity orders were not paying their way.
- 4. Sales engineers at Leland were forced to spend a disproportionate amount of time servicing orders that resulted in relatively small dollar volume.

These four problems were uncovered through an intensive self



IMMEDIATE DELIVERY for 35% of all orders has resulted from Leland's new stock program. Hans Belitz, sm (r.), points out incoming orders for off-the-shelf components to Kenneth Woolley, material manager (l.), and Gerald Leland, v-p, gm.

appraisal. Then Leland cured its ills by making two major changes.

 A ship-from-stock program was introduced. Using market analysts and data processing techniques, Leland selected 250 different models of rotary solenoids (Leland says it's the largest maker of this device) to be carried in stock for prompt shipment to customers. Twenty-five units of each model were manufactured and stocked; a limit of nine units per customer was established.

The ship-from-stock program proved an immediate success. Today, 40% of all orders are filled from stock.

• Leland adopted a minimum charge to encourage customers to order from stock. Analysis disclosed that the cost of these custom-engineered, custom-made products generally exceeded \$50. A minimum charge allows small orders to be profitable.

The company now quotes small-

order customers the unit price in quantities up to 100 pieces. Salesmen advise customers of the minimum charge and offer the choice of increasing the order to meet the minimum or ordering a unit from stock.

Leland's moves have met with strong customer approval. If the customer needs prompt delivery, he can have it by selecting from 250 stock item. If he needs a custom-made item he can have it much faster than previously.

Lead time for some custom-made products has been slashed in half, and further improvements are anticipated. As design patterns become more standardized, additional units will be put in stock.

Because so many orders are now being handled directly from stock, Leland's sales engineers and representatives are able to spend more time on customers' special requirements and deal with their problems more effectively.



READER REACTION: a measure of

## WHEELING STEEL CORPORATION

WHEELING, WEST VINGING

THE CHARLES E. HIRES CO.



JOHNS-MANVILLE

PRODUCTS CORPORATION

LESLIE SALT CO.

GENERAL @ ELECTRIC .....

METALS COMPANY . Direction of Union Carbo

CARNATION COMPANY

SKELLY OIL COMPANY

Helene Curtis Industries inc.

GHAMPION SPARK PLUG GOMPAN

TOLEDO LOMO, I.S.A.

INTERNATIONAL HARVESTER COM

MOTOR TRUCKS

REYNOLDS METALS COMPANY

MANUFACTURING

Sunshine Biscuits, me 20-10 THOMSON AVENUE

CROWN CORK & SEAL COMPANY, IN



MILES LABORATORIES, INC.

----ELEMANT, INDIANA

June 17, 1959

TON RUBBER COM-

nuscle

By spending a little time at the letters-to-the-editors desk, you can judge the impact of a magazine.

Sales Management THE MAGAZINE OF MARKETING

630 THIRD AVENUE - NEW YORK 17, NEW YORK

#### San Antonio Newspapers

A study conducted by Daniel Starch and Staff to measure the extent of household coverage and duplication for the average weekday (Monday through Friday) and Saturday and Sunday editions. The area covered is the San Antonio A. B. C. City Zone where 77% of the total daily circulations are placed. Data include coverage of households by individual newspapers, exclusive coverage of households, net coverage by combinations, coverage by household income, coverage of households by age of children, coverage of households with heads under 45 and 45 or older, coverage of households owning automobiles and households owning an automobile bought new or bought used. Write Tom D. Gish, Advertising Director, The Light, Dept. SM, San Antonio, Tex.

#### The St. Paul Market

According to this new report, it is an on-the-grow three-county market. Its population is up from 376,025 in 1940 to 529,600 people in 1959, spending more than \$655 million a year on retail products. Among the reasons for its increased retailing reach: The vast new Federal Freeway System. Treating the Metropolitan Area as one unit, the Freeway is being aimed to pull traffic right into the city's downtown area. Four new bridges across the St. Croix River are speeding thousands of western Wisconsinites to the city. Write George McFadden, Manager, General Advertising, St. Paul Dispatch-Pioneer Press, Dept. SM, St. Paul, Minn.

#### Metropolitan Oakland

Progress report on the Alameda and Contra Costa Counties which comprise the metropolitan area. In ten vears, retail sales have moved from \$996 million to \$1.58 billion-a 58.3% increase. Alameda County is first in total retail sales in the six Bay Area counties. Population has increased from 1,023,000 to 1,284,000, or 25% - making it the largest population center in the Bay Area. Data include population in the six Bay Area counties; retail sales of food, drug, furniture and household appliances, building material and hardware; chain grocery outlets; residential building permits; automotive and gasoline service station sales; sales of boats, trailers, motorcycles, planes, sporting goods. Write J. O. Wright, Advertising Director, Oakland Tribune, Dept. SM, Oakland, Cal.

#### **Newspaper Readership**

A study in two parts by Dr. Charles L. Allen. It provides detailed information about a typical daily newspaper in a satellite city of a large metropolitan area, Chicago. Reading time, duplication acceptance and believability of advertising are among some of the data uncovered in the study. Write Stewart R. Macdonald, Promotion Manager, The Waukegan News-Sun, Dept. SM, Waukegan, Ill.

#### **Paper and Foil Products**

Data on their purchase and use by 1,400,000 farm families. Products covered: foil, wax paper, paper towels and napkins, facial and toilet tissues, paper plates and cups, drinking straws. These families not only make extensive use of the various paper products, but they buy frequently and in substantial quantity. For example, 95% of all the families use wax paper, and each family buys a little more than two rolls each month. Eight out of ten of the families use paper napkins and purchases for each family run to 2.7 boxes each month. Write Elden Tuttle, Dept. SM, The Progressive Farmer, Birmingham 2, Ala.

#### **Design for Profit in Hardware**

Details on how manufacturers in the hardware field can build profits through a new market research plan. Turnover Handbook. It shows how to satisfy customer's needs by coordinating merchandising and promotional programs with the basic merchandising of customers. Includes: selection of basic items and adjusting inventory to these items, quantity control of items to insure proper turnover, working with and for the retail dealer to make turnover a reality. Write Don Hays, Sales Manager, Hardware Retailer, Dept. SM, 964 N. Pennsylvania St., Indianapolis 4, Ind.

#### Sales Management Television

Case histories showing how spot television sells through program identification—in locally purchased programs in selected markets—and how it can be directed and controlled from the home office. Examples: In "live" programs such as news and weathercasts, women's service shows and children's series, established sta-

tion personalities stimulate an intense viewer commercial-loyalty, commanding a high audience response to their personalized product endorsements. In many syndicated film programs, the show's star delivers the commercial, increasing customer confidence and product/program identification. Among the company case histories: Continental Baking Co., Pan American World Airways, Sealy Mattress Co., Shell Oil Co., Sun Oil Co., Wilson & Co., Inc., American Shoe Co. Write Thomas Dawson, Sales Promotion & Research Director, CBS Television Spot Sales, Dept. SM, 485 Madison Ave., New York 22, N. Y.

#### Today's Research Market

A data book which reveals that it is a \$12-billion market growing bigger every year. It covers expenditures by private industry and Government, predicts market growth, and breaks down the employment of scientists by industry. Write Robert Voepel, Promodion Manager, Analytical Chemistry, Dept. SM, 430 Park Ave., New York 22, N. Y.

#### Sales Aids from Advertisers

Have you written for these booklets or samples described in recent advertisements in Sales Management?

How to Win Attention and Influence Audiences with a full-color image with any subject matter. Projection Optics Co., Inc., Dept. SM, 273 Eleventh Ave., East Orange, N. J.

Idea Letterheads: New catalogue of ideas to add interest to your messages. Idea Art, Dept. SM, 309 Fifth Ave., New York 16, N. Y.

Meeting Planners Handbook: Pocket-size, it contains reprints of some of the most popular articles on meeting planning. Sales Meetings, Dept. SM, 1212 Chestnut St., Philadelphia 7, Pa.

Credit Insurance: How you can protect your accounts receivable and be assured of continued sales growth. American Credit Indemnity Company of New York, Dept. SM 59, 300 St. Paul Pl., Baltimore 2, Md.

Ultramatic Slide Viewer for Salesmen: Descriptive literature on how it can dramtice sales approach. Airequipt Mfg. Co., Inc., Dept. SM, 20 Jones St., New Rochelle, N. Y.

Dodge Reports: How to use them effectively. F. W. Dodge Corp., Construction News Division, Dept. SM, 119 W. 40th St., New York 18, N. Y.

Selling to Hospitals: Information on Hospitals' six strategic issues, exhibit opportunities at the Hospital Merchandise Mart, and brochure titled "It's the Direction That Counts." Hospitals, Journal of the American Hospital Assn., Dept. SM, 849 N. Lake Shore Drive, Chicago 11, Ill.

## "GIRL TALK" FOR AD MEN



I love Seventeen...

that's why Seventeen's advertisers love me!

What makes seventeen so dear to the teen-age girl's heart? The very same quality that endears her to seventeen's advertisers. Devotion. For seventeen is devoted to the teen-age girl exclusively. From cover to cover, it talks with her alone. In girl-to-girl fashion, it answers her questions, discusses her problems, expresses her ideas. "Girl talk" like this creates amazing buying action. 65.2% of seventeen's 4,800,000 readers have actually bought merchandise from its pages. What kinds of merchandise? Not just cosmetics and clothes, but everything from silverware and diamond rings to furniture and food. No wonder advertisers place more linage in seventeen than in any other monthly magazine for women!

\*Gilbert Youth Research\*

.

it's easier to START a habit than to STOP one! SEVENTEEN MAGAZINE - 488 Madison Avenue, New York 22 - PLaza 9-8100

DOUBLE EXPOSURE FOR YOUR ADVERTISING: SEVENTEEN-at-School-only magazine of its kind-offers your educational materials to high school home economics teachers. SEVENTEEN Magazine carries your advertising into their classrooms. Ask us about it!

# Now you can know\_*in advance* will look at your advertising

#### New Politz study gives for the first time:

- A sound basis for evaluating magazines by showing actual exposures to your advertisements.
- Information on the kinds of people, by income and other characteristics, exposed to your advertising.
- Proof that advertising in magazines lasts longer and is more stable than has ever been shown for advertising in any other medium.
- Documentation of the reader's interest in a magazine—and how this benefits advertisers by repeat exposures to their messages.
- Further evidence on the profitable difference between magazines and other media.

How many important businessmen have asked:

"How much does my company's advertising affect our sales?"

The ceaseless search for the answer has brought great benefits to all who sell products or services.

This year, another major step toward measuring advertising effectiveness has been made. It came from *magazines*, long the leaders in developing sound measurements of what the advertiser gets for his investment.

This new study was conducted by Alfred Politz, one of the most respected leaders in marketing, advertising and media research. It is documented in his report "Advertising Page Exposure in Four Magazines."

The study was co-sponsored by Reader's Digest and the Saturday Evening Post. It measures both of these publications and also Life and Look.

#### A useful measurement

This step toward measuring advertising effectiveness is the most useful yet developed for media selection because it covers only those factors within the control of the medium.

Obviously, a medium's primary responsibility to an advertiser is to *expose* his message to its own selective audience. So the first consideration should be: how well does it do this job, and at what cost?

The answers are now available for 4 major magazines.

#### What you can learn from this study

The new Politz research permits an advertiser to know in advance:

- the number of exposures he or his competitor can expect for a message in any of the four magazines studied, or in any combination of them.
- how often, on the average, a sales message will be exposed to the individual reader.
- how many exposures the advertiser will get from people most important to him—in terms of their spending ability, past purchases, and potential interest in buying his product or service.
- how many exposures the advertiser will get, week by week, over the life of the issue his message is in.

#### What else does this study show?

This new Politz study proves what sophisticated advertisers have long sensed:

Magazine advertising lives longer. It has the marked advantage of repeat exposures. These can work like repeated advertisements, without the additional cost.

The audience exposure to magazine advertising is *stable* and predictable. It is not subject to violent seasonal fluctuations. The exposure performance of advertising in these magazines is more consistent than has ever been shown for advertising in any other medium.

This study defines more clearly than ever the advertising values offered by these four magazines. It establishes a new standard by which the advertiser can judge the exposure efficiency of all media, even though others do not have equal evidence of proven accuracy.

Discerning advertisers will reach additional conclusions from this evidence. For example, the repeated exposure reflects the reader's continuing interest in a magazine issue . . . his deep personal involvement in the publication . . . and the greater likelihood that the advertising will lead to actual sales.

Any good magazine gives its advertising an atmosphere of confidence and believability; repeated exposures naturally enhance this value, strengthening the kinship between the advertiser and his customer.

#### How to get your copy

For a copy of the 160-page study, "Advertising Page Exposures in Four Magazines," call . . . or write on your letterhead: Peter E. Schruth, The Saturday Evening Post, 555 Fifth Avenue, New York 17, N. Y. Or: Fred D. Thompson, Reader's Digest, 230 Park Ave., New York 17, N. Y.

## -how many times people in these four magazines!



#### What is Advertising Page Exposure?

Circulation and audience are essential measurements of any medium. But they do not reveal *these additional values* you receive in magazines: the number of times your own advertisement will be seen; the kind of people who will see it and the likelihood that your message will be exposed *more than once to* the same person.

Advertising page exposure measures the total times that people turn to your advertising page.

Every day when you pick up and read a magazine (as determined by this research), you register an *issue* exposure. Every day when you open to a specific page, you register a page exposure.

#### About Alfred Politz ...

Alfred Politz belongs to a growing group of researchers who spend their professional lives searching for more meaningful measures of advertising effectiveness.

Politz continually conducts confidential marketing research for a small group of leading advertisers, and has made studies of all major advertising media. Among his many important research contributions is the introduction of probability sampling into commercial research.

#### Questions and answers about this study

- Q. What is the most important fact revealed by this study?
- A. You can learn how many times your advertising will be seen by the readers of four leading magazines.
- Q. Why is that important?
- A. Because an advertisement must be exposed before it can work. Also, this study proves to what extent advertising will get additional "showings" (free, by the way). These repeat exposures, as we call them, are worth money — real money to advertisers.
- Q. Does the character of a magazine affect the exposures its advertising gets?
- A. Yes, and the results of this study prove it.
- Can I compare these exposure figures with those for other media?
- A. You can make reasonable comparisons, although other media do not provide such exact information about exposures. In television, for example, there is no accurate way of predicting how many people . . . or what kind of people . . . will actually be looking at your commercial.
- Q. And there's no repeat exposure in television?
- A. There can't be—unless you pay to have your commercial broadcast a second time.
- Q. Does this new study tell me whether my advertising will reach good prospects for my product?
- A. Yes. Each person was queried about his possessions and purchases of 116 items. So you will learn not only how often your advertisement will be seen, but by whom, according to income, buying habits, sex, age, etc.
- Q. This suggests that magazines provide a more predictable audience than broadcast media . . .
- A. Far more predictable. The four magazines in this study can give you an amazingly accurate prediction of who will see your advertising and how often. No other mass medium can tell you so exactly the exposure efficiency you get for the advertising dollar you invest.

## READER'S DIGEST THE SATURDAY EVENING POST

#### Major Findings for the Four Magazines

Your advertising page in one issue of all four magazines will reach these groups:	Total audience	Percent coverage	Total exposures per advertising page	Advertising page exposures per person
All people age 10 and over	67,802,000	51.2	152,620,000	2.3*
Male heads of households	20,526,000	48.4	43,936,000	2.1
Women homemakers	22,872,000	50.5	52,016,000	2.3
Top economic third	28,437,000	64.4	72,563,000	2.6
College educated	14.554.000	72.9	40,770,000	2.8

\*If your advertising page appears in all four magazines, it will be exposed to 67,802,000 different people. Each person will be exposed to it an average of 2.3 times . . . for a total of 152,620,000 exposures. Only print media can give you these additional "free showings."





#### Doodleland Revisited

(Or, A Doodler's Doodler)

We had all but closed up shop on the doodling venture (see Sales Management April 17, 1959) when a letter came from E. L. Kimboll, sales promotion manager of the Georgia-Pacific Corp., enclosing a doodle by his associate, W. H. Hunt, vice president, specialty and plywood sales—a doodle so beautiful and so professional that we had a special analysis made by the nation's doodle expert, Helen King.

Among other things, she says, "The overall effect is one of grace, design and futuristic pattern. There is a rhythmic beauty to it—yet this comes from the unconscious while Mr. Hunt may have been telephoning or sitting in on a conference. The feeling for beauty and its expression were buried deep in the man as his pencil sketched, whirled and retraced. . . Circular lines, to the doodlologist, indicate one's friendliness, affections and sentiment. Mr. Hunt should have the power to express himself readily and rapidly. He is receptive to ideas and usually willing to listen to others.

"Certain tension is released when Mr. Hunt shades his doodles and repeats the same lines over and over. Circumstances may not permit him to express himself verbally all the time, but he can get partial release through this graphic projection. Mr. Hunt is indeed a gentleman of distinction and discrimination—an artist, a gentleman and a fine sales executive."

We think he rates the highest professional commendation— "a doodler's doodler."

## this FREE brochure...

compiled by advertising/public relations specialists, tells how the experts celebrate a company's birthday. Send for this free brochure today: it's brimming with tested and proven ways to "Tell the World about your Company's Anniversary"!

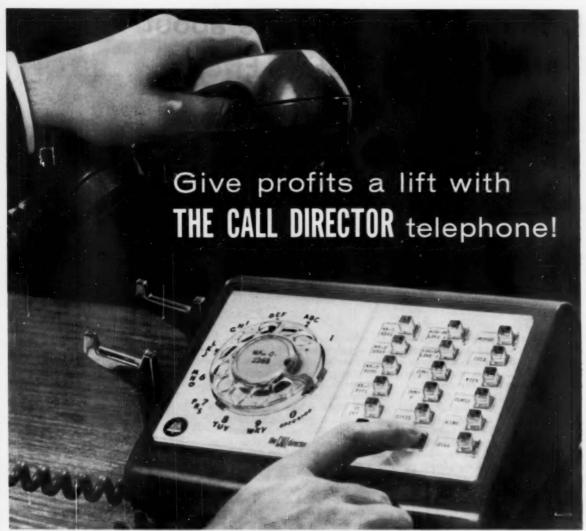
about your Company's Anniversary:

A full-color folder of attractive, moderately priced advertising specialties; buttons, budges, coins, jewelry and other
promotional items, is also yours for the
asking. Write Dept. 2-B.

Green Duck Company
1520 W. Montana St., Chicago 14, Ill.

Specialists in metal design since 1906





The Call Director telephone is available in 18-button and 30-button models -- in green, gray or beige.

Just look at the ways you can use the Call Director telephone to increase operating efficiency and profits...

- You can talk with others in your office, store or plant by merely pushing a button or dialing a number.
   If you get a busy signal, a special "camp-on" feature automatically connects you when the line is free.
- You can add another inside person to an outside call and have a threeway conversation. You save the time and bother involved in transferring calls back and forth.
- You can set up a telephone conference with as many as six people—at

the touch of a button. Several different conference groups can be arranged. No need to reserve meeting rooms. No lost time in corridors and elevators. You get down to business *fast* by phone, right at your desk.

 You can have as many as 29 outside, extension or intercom lines at your fingertips all the time. You get more done, because you don't have to leave your office so often.

#### Never before could a business phone serve you so effectively!

Learn how the new Call Director telephone with Bell System intercom can be tailored to your firm's exact needs and improve its profit picture. Just call your Bell Telephone business office, and a Bell representative will bring you the whole story. No obligation.



BELL TELEPHONE SYSTEM



Do Your Salesmen Care about Your Total Marketing Effort?

If not, take a look at your incentive plan. If it's based completely on quota performance, it's probably outmoded. You may need to base it partially on how good a total marketing job your salesmen do.

> By JOHN W. BARRY Smith, Stanley & Co. New York, N. Y.

With most companies' sales rising strongly - and greater increases predicted for 1960 - an important problem is: "How do I get my salesmen to think in terms of our company's total marketing effort?"

Are you using all the tools available to get your salesmen to do a total marketing job in their territories? Or, are you motivating your salesmen to do only half the job by offering them incentives keyed completely to sales volume?

Take a look at the type of incentive plan that is based partly on a sales quota and partly on the sales manager's evaluation of how well the salesman performs his non-order-getting duties. Firms using this quotaplus-judgment type of incentive unanimously regard it as a valuable sales management tool for motivating the salesman to do a total marketing job.

For the most potent tool of all for motivating salesmen is still cash com-pensation. Yet it is too often doled out on the assumption that the salesman is only an order-getter, that he can be relied on to do a total marketing job just because he is on the payroll.

No one would minimize the importance of order-getting as the salesman's main function. However, basing the whole incentive on sales volume can lead to serious problems. Many managements are using incentives that clash with their regional sales managers' efforts to inspire the salesmen to do a rounded marketing job.

For example, one of the most common types of incentives is the bonus for achieving, or exceeding, quota. In many industries, quota-making is a highly inexact affair, subject to serious inequities.

Errors in quota-setting can subject salesmen to many undesirable pressures. When a bad guess makes a quota seem unattainable, for instance, a salesman often doubles his ordergetting efforts. He neglects those activities which build long-term business and good customer relations. His territory may get "creamed," customers loaded with inventory, displays not built, technical service neglected, and the like - not because the need for immediate business was acute, but because someone set too high a quota.

The science of incentive compensation has made many advances in recent years, particularly where the selling task is considered a long-term project of establishing a company as a source of supply.

The new plans bear many names, but they have one feature in common: They combine an incentive for good quota-performance with an incentive, based on the sales manager's judgment, for how well the salesman carries out his non-order-getting duties.

Here are four examples to illustrate the adaptability of the quota-plusjudgment type of incentive plan:

1. A chemicals company offers its salesmen two bonuses, each 124% of base salary, for a total incentive opportunity of 25%. One 121/2% bonus is paid for increasing sales over the level of previous years. The second 121/2% is an achievement bonus based on the salesman's success in getting a better share of the available business from present customers; in opening new, worthwhile accounts; in doing superior technical service work; and for all-around excellence in those nonselling duties which build volume and profits for the future but which seldom show up in current order figures.

Combined, the two bonuses reward the salesmen for the exact balance of sales performance the company wants. The company has used this doublebarreled incentive plan successfully for more than a decade.

2. A leading company in the grocery products field employs a multiphase incentive plan. Salesmen can earn up to 10% of salary extra based on: achieving and exceeding sales quotas, building displays in appropriate outlets, and using good judgment in handling the salesman's end of the company's cooperative advertising program.

This type of multi-phase incentive plan stimulates a balanced sales per-

# RESULT:

## "DIRECT INQUIRIES REPRESENTING WORK **TOTALING MILLIONS OF DOLLARS"**



JOHN A. ROEBLING'S SONS DIVISION COLORADO FUEL AND IRON CORPORATION 640 SOUTH BROAD STREET, TRENTON 2, NEW JERSEY



Mr. George Krakora Eastern Industrial Advertising Manager The Wall Street Journal 44 Broad Street New York, N. Y.

Dear Mr. Krakora:

The recent series of Roebling advertisements\* featuring Prestressed Concrete Construction in the Regional editions of The Wall Street Journal has been tremendously successful.

From all over the country, we received direct inquiries representing work totaling a good many millions of dollars. One large fabricator said he can trace inquiries for over \$10,000,000 worth of business to this series.

This campaign led to more business for fabricators using Roebling stress-relieved wire, resulting in substantial orders for our products and more firmly establishing Roebling's position of leadership in this field. Our Roebling sales organization has been most enthusiastic about this program. Every man, without exception, has told us how much this has helped him in his sales efforts.

Because most prestressed concrete fabricators serve a limited territory, we were particularly pleased with the flexibility provided by the Regional editions of The Wall Street Journal. This enabled us to feature subjects in the advertisements which we specifically related to the areas concerned.

Naturally, we are delighted with the results of this series. You will be happy to know we are planning a much larger Wall Street Journal program for next year.

Sincerely,

Albert Wiran

Albert Neroni Advertising Manager

15 THE

THE WALL STREET JOURNAL

"THIS

ONE

USEFUL

ONE'

gh Hazard Advertising Co., Inc.

ARE YOU USING "THE MOST USEFUL ONE" MOST?

## This is a Green-eyed Brand-switcher



#### A bird in the hand is still worth you-know-what

... it still costs less to keep a customer sold than to sell a new one.

Let us show you how to keep your customers sold—how to build business that repeats and repeats—with your own customer engineered premium plan.

Cost? You decide that. You pay for your individually-tailored premium service plan after you profit from it. Not before. Let us tell you more.

Write, wire or phone collect—ATlas 8-9315. Dept. S-2.



SUBSIDIARY OF THE CURTIS PUBLISHING COMPANY

195 North St., Teterboro, N.J.

formance by combining quota factors with judgment factors to fit the selling task.

3. Another company, using a judgment incentive in part, sells its products to a service industry represented in almost every community, nationwide. The customers operate under franchise agreements exclusively, because successful use of its products

makes process-control necessary and adherence to its unusual merchandising program desirable. The salesmen are really service engineers and merchandising advisers. At the same time they constantly seek new, good dealers.

Under this company's incentive plan, salesmen can augment their salaries up to 40% under a 3-part bonus sysstem – 16% for quota performance;

#### Besides Selling, Today's Salesman Has 11 Marketing Jobs

Today, a salesman is recognized as an integral participant in a company's total marketing effort. This concept requires that, besides the salesman's hat, he wear at least 11 others. He should be:

- Merchant. Particularly in retail lines, he should be able to talk and think in terms of percentage mark-ups, sales velocity, cost of shelf-space, and return on the dealer's investment.
- Local advertising manager. As the liaison between company and customer, he should serve as an exchange medium for promotional ideas. He may have considerable say over the purchase of co-op advertising and display space.
- Adviser on distribution. He should understand retailer and wholesaler problems, be alert to new business opportunities, and to the chances for extra volume and lower sales costs.
- Authority on packaging. He should be able to interpret and explain to dealers the reasons for packaging changes, and collect ideas for future improvements.
- Interpreter and defender of prices. He should understand costs and be able to explain his company's pricing to distributors and dealers.
- 6. Semi-official product adviser. He should know his own product and be able to advise on competitors' products.
- 7. Sales trainer. He should not only help dealers' and distributors' salesmen become more effective, but should bring the benefits of his firing-line experience to his company's sales training program.
- 8. Sales forecaster. He should be counted on for reliable sales forecasts and budgets for his territory.
- Technical service expert. Especially in industrial selling, he should know the applications of his product better than his customers' own technicians know them.
- 10. Report writer. He should keep the home-office posted on territory, product and customer developments.
- 11. Sales manager. He should manage his own territory: Make plans and programs to achieve maximum penetration of his territory potential, and then carry out these programs. He should allocate his time and effort according to customer and prospect potential.

Every marketing executive can add to this list according to his own situation. The concept of a salesman as a mere order-getter is woefully incomplete. If anything, he should be regarded as a territory marketing manager.



# She's sold!

... and cellophane's <u>design</u> versatility made the sale more profitable

Can you name any other packaging material that offers you as many advantages as cellophane?

Take its design versatility, for example. Because it's flexible, cellophane can be used for a broad range of package constructions and designs. Its smooth, sparkling surface takes beautiful multi-color, high-speed printing. And you get just the right protection you want for your product—because there are over 100 varieties of Du Pont cellophane "tailored" to individual product needs.

This means you get the package that's right for your product... economically. The result: cost per sale goes down... profit per sale goes up.

Add the proven sales power of Du Pont cellophane's pure transparency, its unbeatable efficiency and economy on high-speed machinery—and you have still more profitable reasons for choosing cellophane.

A Du Pont representative can show you how to prove to yourself that cellophane can help "buy your market" at lowest cost. Call him today. E. I. du Pont de Nemours & Co. (Inc.), Film Dept., Wilmington 98, Del.



Better Things for Better Living . . . through Chemistry

DU PONT cellophane

8% for performing special tasks assigned during the year; and another 16% for getting dealers to participate in company-sponsored advertising programs, to use sound product-application procedures, and the like.

4. A fourth company has the problem of having little historical or statistical data to serve as performance standards for an incentive plan. The company sells decorative products for use in new homes and in remodelling old ones. All selling is through specialized applicator-contractors. This company offers a substantial incentive. It is presently based 90% on how well the salesman carries out his duties in accordance with sales policies and methods, and only 10% on how his sales compare with the rather inexact quotas the company has thus far felt justified in setting. As it accumulates sales experience and refines its standards, the company hopes it can steadily increase that portion of the incentive based on quota performance and reduce, but never eliminate, that portion based on judgment.

In spite of the success some companies have realized with incentive plans based partially on judgment, other companies voice three common criticisms of such plans:

Criticism-Incentive plans based partially on judgment often defer rewards too long after accomplishments.

Explanation—This criticism is largely valid, for the work of calculating bonuses and reaching judgments usually makes it impracticable to pay incentives more than once a year.

Don't overlook, however, the fact that the motivational value of an annual incentive can be substantial—if the plan is intelligently merchandised. Present-day salesmen differ from their counterparts of 30 years ago. Today's salesmen are intensely career- and security-minded; their best motivational response is of the "long-pull" variety. Moreover, a guaranteed salary usually covers their ordinary living expenses.

Criticism—A quota-and-judgment incentive plan must be designed by an expert.

Explanation—Although such a plan must be based on the specific requirements of the individual company's sales job, the principles employed are extremely flexible. The ratio between quota and judgment factors can be varied to meet any need, as can the ratio between various judgment factors.

As a rule, companies with sales jobs of the long-term variety tend to pay nearly as much incentive in judgment awards as for quota performance. Other companies generally prefer a relatively larger incentive for quota and smaller for judgment.

Criticism—Judgment incentives may cause inequities among salesmen in different territories.

Explanation—Possibly, but by using tested procedure, a company can calculate judgment incentives quickly, minimizing subjectivity and largely eliminating the possibility of inequities among salesmen.

Judgment-making procedures ordinarily follow the same mental processes that sales managers use to evaluate salesmen, but tend to be more performance-oriented and less personality-oriented. The regional sales manager who develops real skill and judgment in making evaluations that his management accepts with minimum revision makes himself a more valuable sales executive to the company.





## Make room for a 4th, old shoe

Wynken, Blynken and Nod, so the lullaby goes, sailed off in a wooden shoe. Three's all right in an old shoe, but in the building industry, you need to reach and sell four men — the Architect Wynken, Engineer Blynken, Contractor Nod, and Client "Inken"—(a most suitable moniker because he signs all the bills).

All buildings start with the client. Since he, in essence, is "buying" a building which his company or organization needs, he is directly involved in its financing, design, construction—or expansion and modernization.

As the building market continues to grow, so, too, will the number of building clients grow. And Architectural FORUM is the only magazine that has clients. In fact, FORUM is the only magazine whose growth keeps pace with the building industry itself.

With the biggest circulation in the field - 60,000 -

years.\*
Smooth sailing

one indication:

in FORUM
because:

#### FORUM

delivers the entire specifying and buying power of the building market.



Source: The new FORUM Census, "Portrait of the Building Client." Write for a copy. Architectural FORUM, 9 Rockefeller Plaza, New York.

Sales Management February 5, 1960

FORUM alone is edited for and read by the kind of

building customers you must reach and influence. Just

how important are they in building decisions? Here's

89% are concerned with building matters within

their companies. 36% planning new buildings

will spend \$1 million or more in the next two

Of FORUM's 21,000 client subscribers -



... we'll give you this invaluable

### VPD SALES BINDER REFERENCE BOOK

Describes, illustrates and gives prices of over 45 different styles (in many sizes and colors) of ready-made VPD SALES BINDERS.

#### HELPS YOU TO:

CUT BINDER COSTS DRASTICALLY . made VPD BINDERS are for less expensive than custom-made jabs.

DEVELOP PRESENTA-TIONS FASTER, MORE EASILY - you can select a style and size (7 x 5 up to 24 x 18) from over 400 different "in stock" VPD binders immediately and tailor presentaon material to it.

ELIMINATE WORK, HEADACHES - no nuisance of "working out" a binder, no time wasted explaining spetifications, approving samples. Just look thru VPD REFERENCE BOOK and select.

MEET DEADLINES EASILY - of VPD BIND. ERS are ready for immediate delivery from your siationer.



WRITE NOW FOR YOUR #10 FREE COPY OF THE VPD BINDER REFERENCE BOOK to: JOSHUA MEIER COMPANY, INC. 601 West 26th Street, New York 1, N. Y.

manufacturers of sales binders since 1933

## SALES PROMOTION IDEA FILE

By LARRY SCHWARTZ, President, Wexton Advertising Agency, New York

#### **Do-It-Yourself Sales Trainers**

What's the costliest boner being made by salesmen today? "Not selling from the customer's viewpoint." That's the majority opinion of more than 800 sales chiefs recently interviewed by Ted Pollock, author of a series of six helpful general sales training booklets. The books, which can be distributed directly to salesmen, make it easy for them to analyze and correct glaring deficiencies in ap-

A self-centered, rather than customer-centered, approach in the selling process is the most-committed sin in selling today, say the experts. Their consensus: "Salesmen bark up the wrong tree. They talk products, instead of what these products will do for the buyer. They sell product features, instead of customer benefits. They plug what interests the salesman, instead of what interests the customer. They leave unanswered the one motivating question in every buyer's mind: 'What's in it for me?' "

The six self-training pocket manuals, each designed to help the salesman learn and adopt the methods of "the best brains in selling," have been prepared by Pollock as a by-product of his continuing survey and are now available. The first, "What's in It for Me?" shows how star salesmen sell benefits, rather than features, in order to turn sales calls into sales. Others include: "14 Ways to Handle the Prospect Who Savs, 'I'll Think It Over," "Secrets of Persuasion," "How to Prove the Price Is Second-"The Hidden Plusses in Your Product," and "How to Get New Business from Your Old Accounts."

The booklets are available at 50c each and in quantity prices from the publishers, Pamphlet Press (Sales Training Division), P. O. Box 732, Brooklyn 1, N. Y.

#### Sales Letters Plasticised

Looking for something to give a "new look" to your sales letters? "Crystaletters" are individually designed, direct mail sales letters printed in up to six colors on clear, transparent, flexible plastic sheets. Because of the special properties of plastic, they permit effects impossible with paper - transparent areas combined with opacity, write-on, wipe-off surface, etc. For an idea-stimulating kit of Crystaletters, write to Reynold H. Goodman, Sales Promotion Manager, Goodren Products Corp., 101 West Forest Ave., Englewood, N. J.

#### **Grocery Bags Succeed** As Ad Medium

Some time ago we reported in this column about the use of grocery bags for the printed messages of advertisers. Now Leon Henry, Jr., president of Salesbag Promotions, Inc., reports a number of sales success stories from his experience in distributing 70 million salesbags in super markets and drug chains.

A nationally distributed frozen dessert topping increased its sales 25% when it used a "5c-off" coupon printed on salesbags in several chains. A leading suntan lotion increased its business 30% in several drug chains with bag advertising.

Cost to the advertiser for this exciting medium runs less than 1/2¢ per bag. Bags are available in 40 chain organizations.

Copy has featured coupons, premiums, coloring contests and cutouts. For samples and rate card, write to Mr. Henry at Salesbag Promotions, Inc., Ardsley, N. Y.

#### Display Shipper Sparks Muffin Sales

English muffins sell well in the East, but the Midwest has never realized a fraction of their potential. Retailers have been burying the product in dairy cases instead of giving it good exposure on bakery shelves. Stock rotation has been poor; returns have been heavy.

Under the leadership of Sales Man-ager Frank P. Mueller, Casey English Muffins is replacing the old-fashioned overwrapped U-board with a colorful locking type of tray with all-around printing surface, better stacking facility, less crushability. Overwrapped with polymer-coated cellophane, the new wrapper adds an extra two weeks to shelf life. For proper stock rotation, trays are color coded on the bottom, each with one to five lines to indicate week of manufacture.

With the help of Stone Container Co., an eye-catching shipping case was designed to be set up instantly as a display on shelves and floors. A front panel, with the inner side diecut half-way through and the outer side red-ink-scored, facilitates opening and setup by the retailer.

A display card that is a part of

# "Business advertising to business"

Business Advertising can be as powerful a selling force as is the consumer advertising of, say, a department store, whose very existence depends upon it.

Some companies use advertising as an adornment. Some use it to reward themselves for achievement. And we once met a man who turned us down because he "wasn't well-known enough to advertise"!

But many companies use informative advertising\*, to help carry an important share of the sales and service loads.

We have had considerable experience producing resultful business advertising. Asked how we do it, our over-simplified answer goes somewhat as follows:

- We always take into account the fact that business men read business literature for information, not for fun.
- 2. We base copy on a first-hand, up-to-theminute knowledge of what the buyers' viewpoints are; what they already know, or think they know, about your product; and what they need to know. (Lots of advertising is crammed full of facts about a

product, but are they facts the reader needs in order to fit the product benefits to *his* problems?)

We make advertising an important and component part of the sales and service operations; decidedly not a separate thing!

Now, these fundamentals are not revolutionary. But to put them into profitable practice does call for a bit of specialized experience and a certain amount of skill. Our staff is comprised of experienced marketing men who believe in John E. Kennedy's ageless axiom, "I would rather spend one dollar to make one sale, than one dollar to half-make two sales." They know how to write terse but informative copy that avoids the greatest waste in adverting . . . the half-told sales story!

This organization specializes in business advertising which, as you know, differs considerably in approach and technique from the advertising of products like lipsticks or cigarettes. We are fully equipped to prepare, produce and place "business advertising to business men" in all its forms, such as business magazine advertising, direct mail, data sheets, instruction manuals, sales presentations, booklets and catalogs.

\*Informative Advertising: Advertising which helps sell by telling your prospects the things they need to know in order to understand the values of your product to them.

## The Schuyler Hopper Company

"Advertising that sells by helping people buy"

12 EAST 41st STREET, NEW YORK 17, N.Y. . LEXINGTON 2-3135

## NEW COMPACT UNIT FOR SOUND AND SIGHT



COMMUNICATOR
THE DESK TOP SALES THEATRE...

Demonstrates your products, displays your services visually—AND narrates your story dramatically . . Assures interest, leaves a lasting impression, turns prospects into customers. Makes everyone a perfect salesman.

Excellent for desk top or small group viewing —without room darkening. Sets up in seconds. Assures high fidelity sound and picture brilliance. Simple to operate. Ideal for business, industry, education.

The portable C.O.C. COMMUNICATOR combines rear view film strip projector, built-in screen and 4-speed phonograph in a small, attractive attache case. A versatile quality-engineered unit at most reasonable cost.

Handles up to 12" records (20 min. play at 33½ rpm without turning records). High gain amplifier for perfect quality à sound volume "Large 8" s "patented Lenscreen for wide angle viewing. Precision optics. One knob framing with click stops. Storage space for records, film strips, etc. • AC, 110/120" · Overall 19" x 13" x 5½" · Abt. 15 lo. • Fully guaranteed.

. . . for those who do not require sound:

C.O.C. "EXAMINER"

ONLY \$59.50

THE

ACME

SALES

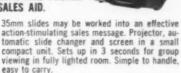
FILM STRIP PROJECTOR with built-in screen in handy luggage-type case—for effective visual presentations.

. . . for economical

EXECUTIVE PROFESSIONAL

PRESENTATIONS,

— MADE EASY
WITH THIS PROVEN
SALES AID.



 Precision optics - Patented 8" x 8" Lenscreen for wide angle viewing - Holds up to 3 magazines (36 sides ea.) for indiv. or sequence showing - Rugged aluminum unit - AC-DC, 100-125v. Only 6 lbs.

\$69.50

Used by leading corporations & institutions!

WRITE NOW for illustrated literature & name of dealer nearest you!

INDUSTRIAL Long Island City 5, N. Y.

the container pops up automatically when the case is opened.

With this shipper, Mueller is able to push for team-ups of his muffins with related items like butter and jelly.

In Houston a major super market sold out a 100-case display in one week, despite introduction of the product during the year's hottest month. Small-space newspaper ads supported the P-O-P effort.

In addition, Mueller devised a novel 2-fold postcard mailing to prospects in a wide geographical area. The mailing, which contained a chart showing Casey English Muffins' advantages, showed the display shipper, told a bit about the company, and invited the reader to send for a sample package and price list, to ask for information about private labeling, and to ask to have a representative call.

Within a few months, Casey's distribution has been expanded from 500 to 1,500 miles, and sales are up significantly.

If you would like to see samples of the materials that did the job, write to Frank P. Mueller, Sales Manager, Casey English Muffin Co., 4140 West Fullerton Ave., Chicago, Ill.

#### Selling with Science-Dramatized

Jonathan Karas, a former professor of physics at the University of New Hampshire, is creating a new career for himself planning scientific demonstrations for sales presentations, films and TV commercials. In a TV commercial produced to demonstrate the snug construction of a Ford car, he entered a wind tunnel with the car, grasped a trapeze bar while an 80-mile-an-hour wind blew him almost parallel to the ground. Needless to say, the car was unmoved.

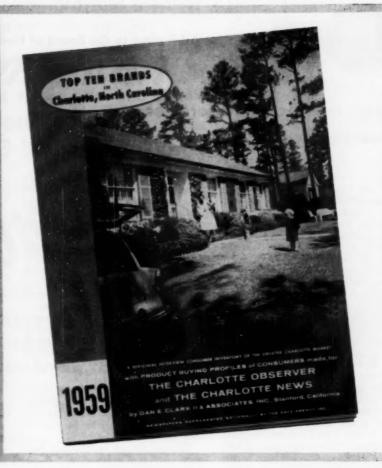
As long as a product has an advantage, Mr. Karas maintains he can dramatize it.

If you are interested in scientifically sound table-top experiments, fullscale demonstrations, product testing and evaluation, specialized engineering writing, scientific advertising devices and displays, communicate with Mr. M. Van de Ryn, Jonathan Karas and Associates, Durham, N. H.

Sales Promotion Idea File is a review of sales-producing tools and ideas designed to stimulate the thinking of salesminded executives. Address contributions to Larry Schwartz, c/o Sales Management, 630 Third Ave., New York 17, N. Y.



HOW ARE YOU DOING IN CHARLOTTE?



Now you can have specific answers, thanks to

#### TOP TEN BRANDS

This study, commissioned by The Charlotte Observer-The Charlotte News, tells you how your label stacks up against others in its field, draws definitive profiles of your customers and your competitors' . . . in terms of income, age, size of household.

#### IDEAL TESTING GROUND

And Top Ten Brands' new continuous interviewing technique makes Charlotte an ideal testing ground. For, by producing periodic "Stop Run" data, Top Ten Brands allows advertisers in The Charlotte Observer-The Charlotte News to gauge their impact on the market before, during and after a campaign.

To find out what Top Ten Brands can do for you, call The Charlotte Observer-The Charlotte News or your Katz Agency salesman.

#### ONE WILL GET YOU SEVEN

It's another service - beyond circulation - of the newspaper buy with the biggest circulation in the Carolinas: a single media purchase reaching a market seven times the size of Metropolitan Charlotte itself.

\*Consumer inventory by Dan E. Clark II & Associates, conducted on a continuing basis in Charlotte and ten other major newspaper markets.



THE CHARLOTTE OBSERVER

THE CHARLOTTE NEWS

Charlotte, N. C. . Daily Circulation over 222,000 The Katz Agency, Inc.

Represented by Newspaper Division TOP TEN BRANDS MARKET



#### How to Sell Your Ad Budget to the Board of Directors (continued from page 37)

#### Corporate Ad Managers Learn How to Become 'Businessmen'

At an Association of National Advertisers' meeting several years ago, a consumer-product advertising manager revealed his company's procedure for determining the advertising appropriation:

appropriation:

"First I go upstairs to the controller and ask how much they can afford to give us. He says \$1.5 million. Later, the boss comes to me and asks how much we should spend. And I say, 'Oh, about \$1.5 million.'"

"This straightforward procedure," wrote Daniel Seligman in Fortune, "has several merits. . . . It minimizes intracompany tugging over advertising funds. . . . It cuts down considerably on the need for expensive market research. And on such a basis, how can one know that \$1.5 million is not the right figure?"

But as the ANA shows in scores of case studies in its 7-volume "Practical Guides and Modern Practices for Better Advertising Management," this company's approach is now rather rare. Advertising managers (and adagents) must be "Dusinessmen."

agents) must be "businessmen."

Says Robert Gunder, advertising and sales promotion director of Hamilton Watch: "It's almost like suddenly become legitimate."

Here are some cases of legitimatizing — and proving — the advertising budget and program:

W. B. Potter, v-p and advertising director of Eastman Kodak, emphasizes both short- and long-term budget development. "In budget-presentation the advertising executive should: (1) analyze and appraise the budget-approval authority and the climate in which it works; (2) make the presentation in their language; (3) keep management continuously informed on the climate in which our advertising has to live; (4) tell them the job to be done for each product or line-and the price ticket for each; and (5) in actual presentation, tell them the things we plan to discontinue next year.

"Next, we compute the relative cost of doing the remainder of the job. . . . We tell how we plan to get additional business on established products. . . . Then we introduce new projects, either in connection with new products, or new promotional ideas. . . . Then we recapitulate — in terms of overall percentage cost to sales."

In one survey the ANA found that 60% of top managers think that their companies are spending "too much for advertising."

On the other hand, it quotes Frank W. Mansfield of Sylvania Electric: "Far too many admen take a passive and defensive attitude on advertising. . . Advertise without limit—so long as you can get a marginal balance of profit."

▶ The businessmen's approach also is the "marketing concept" approach, the ANA emphasizes: "Make the dollars work from the market back rather than from the desk out."

Though the ad budget and program reach final approval on a single day, the ANA emphasizes that they should be "built brick by brick throughout the year. The pieces . . are accepted as they are developed." For a plan thus "developed and integrated into the needs of the company, the final budget approval is largely a formality."

At Standard Oil (Indiana) "Advertising management takes 'top management point of view'"—and seeks to analyze and act in accordance with "sound business judgment." Every item of expenditure is "challenged" before reaching higher authority.

One year, when the president was letting all departments know the company would stand for only "very moderate increases," the advertising presentation showed competitors' steppedup efforts as "eating into Standard's share of market"; it showed the market's growth in population and number of motorists, and increased costs due to circulation and rate increases: "How much more would it cost the company to stand still in advertising?"

The president okayed the plan and budget, and "asked that the full-blown presentation be given to the board where it was unanimously approved." While marketing and advertising managers have their share of frailties, so do top managers—notably in marketing. A. C. Nielsen, Jr., told the ANA: "We found, in an extensive study, that executive decisions on marketing are right, or substantially right, only 58% of the time."

Campbell Soup, General Foods and others blend advertising into "master marketing plans – based on all possible facts and trends, and applied with vigor and imagination."

There is some disagreement as to the ways and extent to which advertising agencies can contribute to such plans. A Campbell executive would harness more fully agencies "collection of marketing brains — analytical and creative." But others say that this is "primarily the responsibility of the advertiser; the marketing objective comes from the Sales Department."

The presentation should be adapted to fit the experience or background of the "approving authority." If he has grown up in sales, he will be concerned with the "completeness of the marketing ideas, how thoroughly each concept is exploited, the ingenuity of the planning." A product technologist wants "proof." A financial man seeks to know "percentage of expected income, comparison with competitive methods, economic efficiency of the marketing dollars."

The marketing plan should be put into book form, with pertinent charts. The book, however, many ad executives think, should not be submitted in advance of the formal presentation. One compromise is to submit a facts section in advance, but save the objectives and the plan itself for the personal presentation. Another is not to give out copies until afterward.

On the presentation itself:
"Tell it slowly (marketing is a complex subject) and make every point clear. . . Don't claim your research data are more authentic than they are. . . Keep selling the whole marketing concept." And, as in every sale, "Make it easy to approve — and ask for prompt approval," to enable the Marketing Department to put the plan into action by a specific date.

In other words: "Buy now!" . . .

With cost-of-sales ratios mounting, a key word in today's advertising planning is control. A new professional specialist is the advertising adminis-

The Farmer-Stockman provides greatest most effective coverage in

# Texhoma-L

\* RURAL TEXAS AND OKLAHOMA with effective RURAL **BUYING INCOME of** 

. . . GREATER than all 7 cities of over 200,000 population in Texas and Oklahoma combined!

Houston, Texas	\$1,786,262,000
Dallas, Texas	
San Antonio, Texas	783,189,000
Ft. Worth, Texas	742,657,000
Oklahoma City, Oklahoma	
Tulsa, Oklahoma	503,386,000
El Paso, Texas	423,908,000

The Farmer-Stockman reaches more Rural Customers in Texhoma-Land\* than any other farm publication!

TOTAL.....\$6,132,629,000

Want most effective, lowest-cost coverage? You get it in the Farmer-Stockman, with separate editing for Texas—and separate editing for Oklahoma. And what's more, The Farmer-Stockman has 49-years leadership in building this depth of readership, reader confidence and vigorous advertising response. Want more? You get it in local advertising flexibility and effective merchandising services. We know you're looking for the greatest, most productive impact possible for your advertising! And that's what The Farmer-Stockman is geared to give you in the BIGGEST Farm Market Area in the U. S.: FOR SPACE RESERVATIONS-or additional data, write, wire or phone your nearest Farmer-Stockman office now!

436,476 Total Paid Subscribers

\*Rural Texas and Oklahome

\*\*Sales Management, May 10, 1959





For years— Edited IN Yexas FOR Texans!

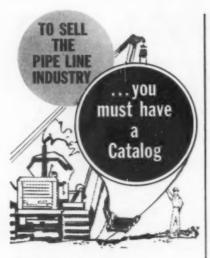


For years— Edited IN Oklahoma FOR Oklahomansi

# OKLAHOMA

SALES OFFICES:

CHICAGO 11, SUperior 7-6145 NEW YORK 17, Miluray Hill 4-3340 OKIAHOMA CITY 1, CEntrol 2-3311 DALLAS 5, LAkeside 1-3121 400 N. Michigen Avenue 420 Lexington Avénue 500 N. Bendeway 4221 N. Centrol Expressively Lev Hainline, Mgr. Alex MicCommos, Iv., Mgr. Alex MicCommos, Iv., Mgr.



#### To Provide ...

needed data from which your customers can buy your products or services.

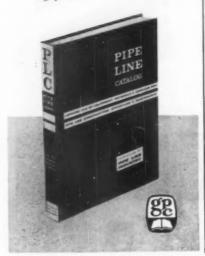
#### To Reach . . .

the widely scattered, mobile market that makes personal selling difficult.

#### To Cover ...

all men of buying authority when they are ready to purchase — whether your salesman is at hand or not.

All three of these functions are handled most effectively through use of the PIPE LINE CATALOG . . . preferred by 91% of the industry's buying power.



trator. ANA contributors say a lot about the "application of sound purchasing practice to advertising" — in areas ranging from point-of-purchase materials to TV staging and production costs. (General Electric developed a program for buying an average of ten displays a year for each of eight major appliance lines.)

Control involves more thorough

Control involves more thorough testing of products, media and copy, more research into materials costs. It also involves the careful allocating of costs by marketing areas; proof of performance from print and broadcast media; and with some major advertisers, such as General Foods, "accounting controls over agency billings" — specifically, "non-media charges."

Top management wants to know the reasons for overspending.

While Quaker Oats plans advertising for the full crop year, a vice president emphasizes, "Budgets that represent overspending from the standard basis will probably be approved only on a first-six-months basis."

Ésso Standard Oil reports monthly to advertising management and corporate accounting, and quarterly to marketing management, on budget expenditures and unpaid commitments. Among other controls, Esso makes an annual analysis of advertising expenses by territory for marketing management and others.

Minnesota Mining and Falstaff Brewing are two of many companies whose advertising departments tell higher management frequently how the "business" of advertising is doing.

Without sacrificing flexibility, early planning can help to keep the program in control.

Falstaff Brewing starts work on next year's program (calendar year basis) in July and submits the budget to top management by September 15.

In December, Green Giant Co. puts first plans in the works for a sales year starting July 1. In January a per case budget is set on the expected vegetable pack. By March, plans are turned into a budget. In June, when advertising plans are "finalized," a new budget is issued.

But, an executive says, in October the total budget is revised to fit the actual pack, and "Every two or three months, a new budget is issued to fit changes in advertising plans."

# 'World's Largest Advertiser' Sells Owners on Advertising

The business-building job of advertising is being sold increasingly, not only to, but by, top managements.

These managements are telling stockholders, employees and other groups how the company's advertising contributes to their welfare.

"Advertising" was the theme of similar talks made simultaneously in London and Rotterdam on April 24, 1958, by the chairmen of Unilever, Ltd., and its affiliate, Unilever N. V. – Lord Geoffrey Heyworth and F. J. Tempel – at annual meetings.

Together these companies probably are the world's largest advertiser.

Stockholders learned that in 1957 "Unilever spent, on advertising, £83 million [about \$232.4 million]," an amount "almost equal to the trading profit" in that period.

In fact, "Despite a greater turnover, Unilever was compelled to increase advertising expenses, with a consequent reduction in net profits."

But seeking to reach "1.8 billion people - the whole population of the free world, Unilever spends a lot of money to create goods we believe the consumer wants. It would be foolish indeed not to tell them what we have to sell and try to persuade them to buy."

Unilever calls advertising "essential to a free economy" and "freedom of choice." It "raises living standards" and "contributes to economic stability." It is a "cost that saves" — speeding sales turnover and stimulating large-scale production.

The consumer saves, too. Despite a sixfold rise in cost of materials in 20 years, prices of such heavily advertised Unilever products as Persil soap powder in the United Kingdom and Blue Band margarine in Holland, have been "kept below the general rise in consumer prices."

Always, advertisers "need the courage to risk making mistakes." They must try new approaches and different media. In the U.S. and Canada, for example, Unilever has found that, though "television costs a lot, it is

worth the money. So - in inducing people to sample the product - are coupons, bargain packs and similar offers.

"The first Lord Leverhulme used to say that half of his advertising was wasted, but he never knew which half." Today, with the help of better products and better proving, "We hope we are on the way to bettering that score."

New and improved products create new reasons to buy. Lord Heyworth said that, in the United Kingdom in five years, "There have been four changes in Lux toilet soap, six in Persil . . ."

Lever Brothers Co., New York, points out that "Almost 50% of our total sales in 1958 [\$382.6 million] represented products we did not have on the market in 1953."

And in this period, William H. Burkhart, board chairman, told an ANA meeting last spring, Lever Brothers "just about doubled our advertising investment . . . now approaching \$100 million."

Burkhart's talk then was a prelude to the "ANA's Corporate Management Approach to the Advertising Investment," now being launched.

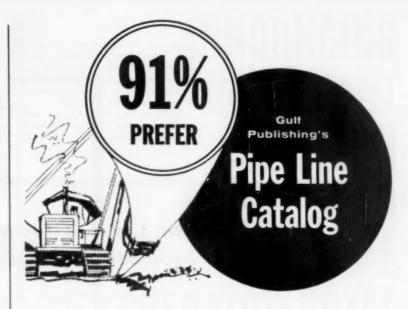
He believes that management more frequently understands advertising men than advertising men understand management: "Too many advertising men cannot successfully further management's plans."

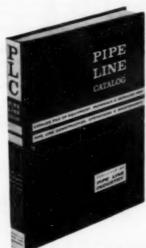
(One adman who apparently learned



Lord Geoffrey Heyworth

"Unilever spends a lot of money to create goods . . . It would be foolish indeed not to tell them [people in the free world] what we have to sell and try to persuade them to buy."





A strong 91.4% of industry men responding to catalog usage surveys indicate they prefer to have catalog data furnished to them in the PIPE LINE CATALOG.

More than 5,500 key men in Pipe Line and Pipe Line Contracting Companies will receive the 1960-61 PIPE LINE CATALOG. The names and addresses of these men of established buying power have been supplied by the companies themselves, assuring the cataloger of unduplicated, waste-free distribution.

Almost \$2 billion will be spent by the pipe line industry during the life of the 1960-61 PIPE LINE CATALOG. Make sure your product data are on hand when the buying decisions are made.

There's still time - closing date for the 1960-61 edition is April 1. Call your local Gulf office or write for complete Fact Book.

Greater Petroleum Coverage Through Market Specialization

#### PIPE LINE CATALOG

Published by PIPE LINE INDUSTRY





#### **GULF PUBLISHING COMPANY**

World's Largest Specialized Publisher to the Oil Industries

HOUSTON, NEW YORK, CHICAGO, CLEVELAND TULSA, DALLAS AND LOS ANGELES

to do so is Henry Schachte, executive

v-p of Lever Brothers.)

Lever is in the "business of build-ing consumer franchises," Burkhart emphasized. This force, strengthened by "continuous advertising," requires "only a gentle nudge to get the consumer to buy. . . . This creates a product reputation that has a kind of permanence. This is what we really buy when we invest in advertising."

As "successful advertising has become increasingly vital to corporate success, management has become increasingly interested in every aspect of the advertising operation." Management's new "concept of the ideal advertising man is [that of] a businessman whose specialty happens to

be advertising."

At that meeting Lever's Henry Schachte (then ANA chairman) noted that in 1957 ANA found "Many advertising managers were not ready for top level contact-they knew a good deal about advertising, and very little about managing.

From this emerged the association's \$200,000 seven-volume "Guidebook Series" on "Better Advertising Management." Of equal importance is the new "Corporate Management Ap-

proach" program.

'Many managements," Schachte said, "have never been given a basic assessment of what advertising can do, how it works, and in what kind of corporate climate and organizational arrangement it functions best."

(With an "inside board," not only top management but also the heads of other functions at Lever Brothers

"know" advertising. Though both Chairman Neil H. McElroy and President Howard J. Morgens of big rival Procter & Gamble were admen, P&C's board has a majority of outsiders. "Now and then," SM is told, "the Advertising Department explains to the whole board how it gets the job done.") ◆

# ANA Launches 'Top Management Approach to Ad Investment'

At the November 1959 meeting at Hot Springs, Va., the long-a-borning "Project X" of Association of National Advertisers formally became "ANA's Corporate Management Approach to the Advertising Investment.

The association's new chairman, Donald S. Frost, v-p for advertising of Bristol-Myers Co., New York, had spurred it with such questions as "How do we know . . .

"... whether our advertising is paying off?

. . whether we're spending too little or too much?

". . . whether money put into one medium is a better investment than in another?

"If advertising is an investment in the future, how can we tell (without waiting ten vears) whether we are

# MEMO: TO: Exhibit Department

# FROM: Marketing Manager

Just learned that there's a new list of all trade and industrial shows. It covers every industry and gives dates long in advance.

This is just what we need to plan show participation on a long-range basis. It's about time we had a complete index to everything that may concern us exhibitwise. The listing is called "Exhibits Schedule" and is turned out by Sales Meetings in cooperation with Exhibit Producers and Designers Assn.

Costs \$25 a year and is broken down into three sections: one by dates, another by cities, and main section by industries.

It should be invaluable when we plan our exhibit schedule. Suggest you order a copy right away from EXHIBITS SCHEDULE, 1212 Chestnut Street, Philadelphia 7, Pa.

# ANNOUNCING NEW GIAN DRIVE-IN 1. 10,000 square feet of exhibit space EXHIBIT AREA will accommodate 79 booths. SHERATON HALL SHERATON HOTEL 2. Plenty of spot-Over 18,000 square feet of exhibit area . . room for lights, individual booth lights, mike 135 exhibit booths. These new facilities are in addiand phone jacks. tion to the hotel's present fine accommodations that include the Grand Ballroom and the Hall of Flags. PENN CENTER ROOM 4.7,000 square feet, seats 850. Soundproof folding 5. or you can convert this area to accommodate 47 booths. 3. Ground level loading area 6. For more details, con-(no elevator needed). tact Mr. Allan Schnell, Sales Manager, Sheraton Hotel, Philadelphia or Mr. Paul Mangan, Sheraton **National Convention** Manager, Sheraton-Park Hotel, Washington, D. C. It's all part of the SHERATON HOTEL, Philadelphia

getting a reasonable return on it?"

Marketing and advertising people, Frost continued, not only must get more evidence to support the answers, but must learn how to communicate the answers. They must learn to sell top management on "advertising actions which they consider sound and profitable," and should try to "educate other company executives on the true purposes of, and effective ways to use, advertising.

Chairman of the committee for the project (and ANA vice chairman) is Roger H. Bolin, advertising director of Westinghouse Electric, Pittsburgh.

Bolin introduced Russell H. Colley, management consultant, who is interviewing for ANA members of top management, and "division, marketing and financial management" of corporations of various sizes in many industries.

Bolin said: "They want to talk about advertising.

Colley added that the project has "received wholehearted participation of some of the most astute business leaders.

Interviews then held, or scheduled, were with executives of such companies as Armstrong Cork, Bristol-



Donald S. Frost

"If advertising is an investment in the future, how can we tell whether we are getting a reasonable return on it?"

Myers, DuPont, Ford, General Motors, Hamilton Watch, Koppers, Lever, New Holland Machine, Olin Mathieson, Pittsburgh Plate Glass, Schaefer Brewing, Standard Oil (Ind.), Swift, U. S. Steel, Warner-Lambert, and

Westinghouse. One reason for management's "vital interest, today," Colley said, "is that advertising expenditures are climbing, both in total dollars and share of total corporate expenditures." In five years, for example, DuPont's ad budget rose from \$18 million to \$33 million, or from 1 to 1.6% of its gross sales. The estimated \$10.5 billion spent

annually for advertising has climbed close to the total amount of dividends distributed to 12 million stockholders" of publicly owned U.S. corporations: "For every dollar of dividends declared, 83 cents goes for advertising.

"The three key areas of concern to top management are:

"1. Better ways of judging return on the ad investment.

"2. Better integration of advertising [with such functions as selling, product development, research, finance,

"3. A more business-oriented approach to advertising."

But, Bolin concludes, corporate management expects a forceful beginning in getting better answers-specifically to the question:
"What kind of return are we really

getting on our investment?" .

(continued on page 112)

# MEMPHIS Ranks 6th in the U.S. In General Merchandise Sales Per

Household\* \*At \$891 per household Memphis general merchandise sales rank ahead of:

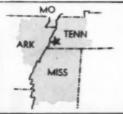
Houston \$858 Dallas \$855 Chicago \$836 New Orleans \$694

In prosperous Memphis, you don't have to go downtown to find eager buying crowds like this. There are responsive buying centers in the 60 major towns throughout the Mid-South where The Commercial Appeal and Memphis Press-Scimitar have hometown acceptance. You reach them all with the Mid-South's one great newspaper combination.

## WRITE FOR NEW MARKET

Louisville \$507 **BROCHURE** Sales Management "Survey of Buying Power," 1959

TOTAL Memphis Market over 2,500,000 population



The Dominant Dailies in the Mid-South

THE COMMERCIAL APPEAL MEMPHIS PRESS-SCIMITAR





# **NEW LOW RATES WITH EAGER-BEAVER SERVICE!**

You'll take advantage of new low Railway Express rates on certain products when you ship a total weight of over 300 lbs. on any one pickup. You can ship to as many destinations—as many different consignees—as you wish. We'll combine the weights of individual small shipments to help you meet the new incentive rate requirements.

For example, under old rates, shipping 10 packages whose combined weights amounted to 310 pounds from New York to 10 destinations throughout the country would have cost \$58.83. Under new rates—only \$37.00! You save \$21.83 or 37.1%.

We're busy as beavers these days putting into effect new incentive rates and many service improvements to solve your "small shipment problems." Next time you ship, call Railway Express—and see!



RAIL . AIR . SEA



#### How to Sell Your Ad Budget to the Board of Directors (continued)

# Borden's Executive Board Weighs Themes and Media

By ROY D. WOOSTER
Executive Vice President, The Borden Co.,
and Chairman, Borden's Executive Advertising Board

Advertising is an integral part of the growth of The Borden Co. It complements the work of the sales, marketing and research staffs; promotes products and services, and helps to develop and strengthen Borden's image in the mind of the public.

Thus advertising occupies a position of note in today's business decisions. Top management should not merely rubber-stamp advertising decisions, but should participate in them.

Borden's management does not seek to usurp the duties of its people directly responsible for advertising functions. We have, however, set out to establish a common meeting ground that will provide for both groups a better understanding of advertising.

With a diversity of products, handled through several divisions, Borden employs many advertising agencies. Until recently there has been no close contact between the company and agency managements.

Then in April 1958, Borden President Harold W. Comfort created an Executive Advertising Board. It is composed of the presidents of the two major consumer product divisions—Borden's Milk & Ice Cream Co. and Borden Foods Co.; the assistant vice president, whose responsibilities include advertising and the "corporate image"; the assistant vice president for administration, and the executive vice president, chairman.

The new board was assigned to explore and evaluate both national and local advertising, and the comparative use of television, radio, newspaper, magazine and outdoor advertising. Before this, however, came a complete reassessment of the company's entire advertising program.

Especially in the marketing of fluid milk and ice cream, Borden operates through decentralized districts, divisions and regions. The chairman or president of each of these areas has considerable local autonomy. For example, he has authority over all local advertising in his territory.

The board also assumes that any broad advertising plans presented to it have been approved by the advertising personnel of the divisions involved. The board is a reviewing body, and a liaison group.

But from the board's discussions has evolved a more direct national responsibility to the advertising personnel of the two major consumer divisions.

In Borden Foods Co. the three principal product-group managers nows decide which items will be advertised, and when. Product managers then review these decisions with the Food Company's advertising director, who sees to the creation of campaigns, themes and selection of media.

In Fluid Milk & Ice Cream, products for national advertising support are chosen by district and divisional heads and by their sales managers. At national headquarters advertising personnel of this division coordinate the program and recommend media and placement.

Coordination of their efforts and development of the corporate image are the responsibility of the assistant vice president.

To strengthen top management relations with advertising agencies, the Executive Advertising Board invites regular visits from the head of each agency and his aides, to question and be questioned about their activities on Borden's behalf. To both groups these meetings have been most profitable and productive.

Frankly, the board asks the agencies to account for their stewardship. We are blunt—but so are the agency heads. At the first meeting we explained that the objective was a better understanding of the broad advertising picture. A main purpose was to review the product and marketing aims toward which we were all working.

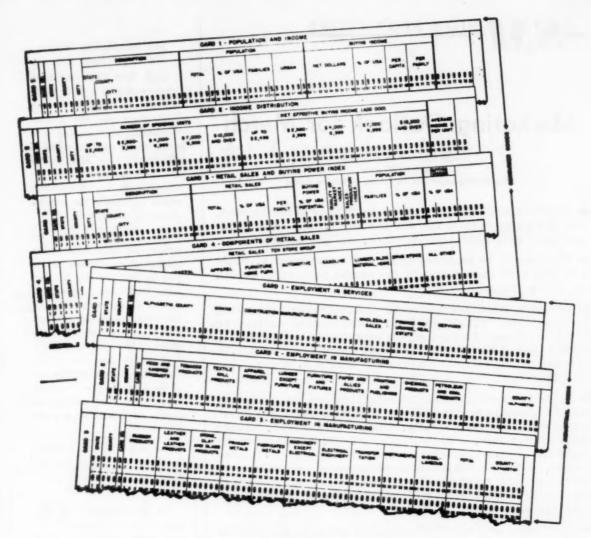
At a typical session the chairman will outline total sales and earnings prospects for the next quarter, and will give management's views on the trends affecting business. If no other board member has any interpretive data to offer, the meeting is then turned over to the agency for a detailed account of a product advertising program. This may involve marketing concepts, contemplated advertising, results of market tests of themes or new products, and ideas for new package designs.

One agency told the board that, before preparing advertising for a new product, it had conducted almost 1,300 interviews with women in the middle-income bracket. These data led to minor modifications of the product, and were valuable to our sales and merchandising staffs.

From board deliberations, also, came the decision that the time was ripe for national distribution of a new product.

From them has come a new "face" for Borden's advertising. Nationally, we are now promoting our products heavily through outdoor advertising—particularly near super markets and other sales outlets. This program is tied up with in-store merchandising. For several food products we have also become an important advertiser in spot radio.

The board has gained a better understanding of the company's marketing problems, and has come to respect more the ability of our own and the agencies' advertising personnel. We recognize the agencies as partners, not only in helping to sell goods, but in furthering the corporate image of The Borden Co. ◆



# them for fast, *Automatic* territory analysis

By using only those cards conforming to your particular sales territories you can conveniently apply the May 10, 1959 SALES MANAGE-MENT Survey of Buying Power to your own market areas.

Market Statistics, Inc. will prepare these IBM analyses for you quickly. Or if you have your own IBM installation, you can prepare them automatically in your own office, as do over 200 leading companies today.

In addition to the factors shown above, many other specialized indexes are available on county cards; Index of Urban Demand (for styled merchandise), Index of Office Equipment Demand, Index of Resort Activity, Growth Factors (to isolate areas of rapid or slow growth) TV homes as of January 1, 1959, plus all major Census marketing benchmarks (age, distributions, etc.)

It is only necessary to determine what factors (or combinations thereof) would reflect demand for your product. If you have any questions on this, you may without obligation consult with our staff for correlation studies of your own sales to isolate your key marketing

# MARKET STATISTICS, INC.

RESEARCH CONSULTANTS TO SALES MANAGEMENT MAGAZINE 630 Third Avenue, New York 17, N. Y .-- YU-6-8557

# Marketing Outlook for March

By DR. JAY M. GOULD

Research Director

Sales Management and Its Survey of Buying Power

- ► Retail sales in March will be up 3% over March of 1959, with one extra selling day for the month. Easter shopping this year will affect April sales, and not March.
- ► This cannot be regarded as a "boom" performance, since a 3% gain will barely account for normal population growth and price increase.
- ▶ December retailing was most disappointing, according to Government "flash" reports, which may be subject to later revision. Instead of the expected 6% gain over December 1958, total December volume, while reaching \$21.7-billion record volume, represented only a 2.3% gain over last December.
- ▶ Since the monthly gains in retailing are a significant clue to economic health, here is a roundup for 1959: January, +6.1%; February, +8.2%; March, +9.1%; April, +8.1%; May, +7.1%; June, +12.7%; July, +9.9%; August, +6.2%; September, +7.4%; October, +9.6%; November, +5.1%; December, +2.3%. The drop in November and December, in sharp contrast to the healthy gains in preceding months, may indicate that retailing in 1960 may be hard put to register real gains over 1959.
- ► Confirming evidence that retailers may be in for tougher selling comes from a most recent Federal Reserve Board Survey of Consumer Expenditures, taken in November. Fewer consumers reported feeling "better off" than in June, and fewer expected business improvement in the coming 12 months.
- ▶ The fear of rising inflation, kicked off by the steel settlement, may have offsetting implications for retailers. Presumably no big-ticket purchasers will defer spending because of price cut expectations. On the other hand, tight money will cut down on mortgages, therefore construction, therefore furniture and appliances.
- ▶ The year 1960 should see large increases in installment buying, which, according to the FRB Survey has the approval of larger numbers of consumers than ever before. Of those making payments at the time of the Survey, 22% said they could easily take on new payments.
- The year-end car shortages cut down on the usual seasonal gain in installment credit. But, if industry predictions that seven million cars will be sold are borne out, installment credit will have its greatest year.

#### The Marketing Value Of High Spot Cities

High Spot Cities are tabulated monthly as a guide to the marketer on where his sales efforts might pay the greatest dividends. Cities marked with a star ★ are preferred cities of the month. They have a level of sales—compared with the same month in 1959 — which equals or exceeds the national change in sales activity.

The first column of the accompanying tables indicates the number of months out of the past 24 that the city has had a star to indicate a better than average performance. When a full 24-month period of back data is not available, the city's record is indicated as follows: 8/11 would mean that a city has had 8 starred months out of the past 11. The 11 would indicate the total number of months for which data is available.

The second column indicates the index of change for this month of 1960 versus corresponding month of 1959.

The third column (the city-national index) relates the annual change in the city's retail sales to that of the U.S. Thus, a city-national index of 106.0 indicates that the city is enjoying a gain in retail sales 6% greater than that of the rest of the U.S.

#### Suggested Uses

- ★ Special advertising and promotion drives in spot cities.
- ★ A guide for your branch and district managers.
- \* Revising sales quotas.
- ★ Checking actual performances against potentials.
- ★ Basis for letters for stimulating salesmen.
- ★ Forestalling salesmen's alibis.

# High Spot (★) Cities for March

RETAIL SALES FORECAST (S.M. Forceast for March, 1906 City

United States 103.0 100.0 17706.00 100.3 97.4 224.58 Birmingham ... 12 99.2 96.3 42.69 Florence-Sheffield-Tuscumbia .... 13 102.5 99.5 7.10 Gadsden ..... 9 96.3 93.5 5.75 ★ Mobile . . . . . 6 105.6 102.5 21.71 Montgomery ... 20 98.5 95.6 ★ Phoenix ..... 24 109.0 105.8 46.50 ★ Tucson ..... 24 107.1 104.0 24.33 99.5 96.6 130.79

Fort Smith ... 15 96.4 93.6

8.17

Little Rock-North Little Rock .. 20 100.9 98.0 24.70 105.8 102.7 1782.46 Bakersteld .... 13 102.0 99.0 19.49 Berkeley . . . . 10 102.3 99.3 13.66 Fresne ...... 18 99.6 96.7 26.85 Long Beach .. 0 97.7 94.9 44.37 Los Angeles ... 21 100.6 97.7 325.52 Gakland ..... 16 101.4 98.4 56.09 ★ Pasadena .... 10 106.1 103.0 23.55 ★ Riverside ..... 15 108.5 105.3 13.30 \* Sacramento ... 17 122.8 119.2 47.55 San Bernardino 13 96.6 93.8 17.19 ★ San Diego ... 24 117.0 113.6 San Francisco . 8 100.9 98.0 ★ San Jose ..... 23 108.4 105.2 ★ Santa Ana ... 21 121.3 117.8 21.91 ★ Santa Barbara . 16 108.3 105.1 10.54 ★ Santa Resa .18/19 107.1 104.0 8.72 Stockton ..... 14 99.6 96.7 15.98 ★ Ventura ..... 22 107.8 104.7 6.48

101.9 98.9 200.67 Colo. Colorado Springs 22 100.5 97.6 ★ Denver .... 19 103.5 100.5 81.88 Pueblo ..... 10 94.7

106.1

101.8

100.4

# 30 Best Markets for March

(Top three cities in each of 10 regions) U. S. Index: 100

The following cities have a common denominator. They are expected to exhibit retail sales leadership in the coming month. The index opposite each city compares its performance with that of the nation as a whole. For example, if a city has an index of 106.9 that means that its retail sales next month are forecast to lead the national average change by 6.9%. Canadian figures are compared with U.S.

**New England** Salem, Mass. . . Waterbury, Conn. Pittsfield, Mass.

108.1 107 9 107.0 West North Central Rapid City, S. D. ..... Topeka, Kan. Springfield, Mo.

East South Central Memphis, Tenn. . . . . . 108 5 Mobile, Ala. 102.5 Lexington, Ky. 102.3

Pacific Sacramento, Cal. 119.2 Santa Ana, Cal. 117.8 San Diego, Cal. 113.6

South Atlantic

Greenville, S. C. Orlando, Fla. 113.9 Winston-Salem, N. C. .... 109.2 West South Central Lubbock, Tex. 108.1 Amarillo, Tex. 105.4 Waco, Tex. ... 104.0

Middle Atlantic

Philadelphia, Pa. 108.2 Norristown, Pa. 107.5 Rome, N. Y. 107.2

Mountain Cheyenne, Wyo. 116.5 Las Vegas, Nev. 110.1 108.9 Reno, Nev.

East North Central

116.0 Flint, Mich. 110.1 Sheboygan, Wis.

Canada

St. John, N. B. 124.4 Hamilton, Ont. 116.6 London, Ont. .... 111.2

# \$59,742,000

Food Sales

# **WORTHWHILE?**

Or \$29,887,000 automotive sales, for that matter. Or \$19,602,000 gasoline sales. Or \$6,983,000 drug sales.

Of course it is. And the surest way to get your share is to capture the biggest part of it first—through the Norwich Bulletin . . . only daily with primary circulation in this big Eastern Connecticut market . . . only daily with broad, solid, inside impact.

## **Norwich Bulletin**

and Norwich Bulletin-Record (Sundays)
NORWICH, CONN.

Bulletin Sunday Record 26,037 22,104

Represented by The Julius Mathews Special Agency, Inc.

# New London Is "On-the-Go" In Automobile Sales!

Among all Connecticut cities of 25,000-or-over population, New London ranks 2nd in automotive sales per average household.

Reach this high-powered market through The Day, the only vehicle covering 98% of this 66,547 ABC City Zone.

The Day

NEW LONDON, CONNECTICUT

National Representatives: Johnson, Kent, Gavin & Sinding, Inc.

# -SAT HIGH SPOT CITIES

RETAIL SALES FORECAST (S.M. Forceast for March, 1966 102.1 99.1 274.23 Conn. 99.8 96.9 Bridgeport 18.67 Hartford .... 4 99.4 29.38 Wallingford . . 7 102.8 99.8 7.30 Middletown ... 6 99.9 97.0 4.19 ★ New Haven .... 5 103.1 100.1 22.20 New London ... 15 97.3 7.00 Narwich ..... A 97.5 94.7 5.07 ★ Stamford ..... 13 108.2 105.0 15.09 ★ Waterbury .... 9 111.1 107.9 14.02 107.0 103.9 68.34 ★ Wilmington ... 20 107.3 104.2 32.66 112.1 108.8 130.73 ★ Washington ... 14 112.1 108.8 130.73 106.7 103.6 595.22 Flg. # Fort Lauderdale 24 110.0 106.8 21.20 Jacksonville ... 19 102.4 99.4 50.87 ★ Miami ..... 24 106.3 103.2 83.23 ★ Orlande . . . . 24 117.3 113.9 Pensacola .... 4 101.9 98.9 12.74 ★ St. Petersburg . 18 109.6 106.4 ★ Tampa ...... 24 105.4 102.3 43.89 102.0 99.0 321.35 Ga. Albany ..... 15 91.8 ★ Atlanta ..... 24 104.1 101.1 86.57 Augusta ..... 13 99.8 Columbus .... 0 100.5 97.6 12.69 Macon . . . . . 17 99.9 97.0 13.47 Savannah .... 22 101.9 98.9 16.86 Hawaii ★ Honolulu .... 24 105.0 101.9 34.16 77.23 100.8 97.9 Boise ..... 21 101.0 98.1 10.65 102.2 99.2 1076.51 Bloomington ... 17 96.4 93.6 7.52 Champaign-Urhana ..... 18 100.9 98.0 0.55 ★ Chicago ..... 8 103.1 100.1 468.58 Danville ..... 0 97.1 94.3 6.29 Decatur ..... 0 97.2 94.4 12.68 East St Louis 3 93.4 90.7 R.94 Moline-Rock Island-East Moline , 15 102.5 99.5 34.43 Peoria ...... 2 96.8 94.0 19.65 ★ Rockford ..... 4 106.6 103.5 18.93 Springfield .... 17 100.6 97.7 18.42 440,45 Evansville .... 0 92.8 92.6 15.13 ★ Fort Wayne ... 10 105.9 102.8 21.89 Gary ..... 9 102.8 99.8 19.12 Hammond-East Chicago ... 3/11 102.8 99.8 21.08 Indianapolis ... 20 99.7 96.8 79.27 SALES MANAGEMENT

HIGH SPOTS

# WATERBURY

among the 30 top markets in the nation

#### st in SALES GAINS

AMONG NEW ENGLAND METROPOLITAN AREAS

FEB. INCREASE 13.9%

This top sales market can only be completely sold through the

# WATERBURY REPUBLICAN AMERICAN

St The only daily newspaper completely covering Waterbury and the entire northwestern Connecticut area.

62,724 (m&e)

88.600 (s&e)

100% coverage | City Zone 95% Coverage City & RTZone

WARD-GRIFFITH CO., INC.

## ONLY the RECORD and JOURNAL



# COVER Meriden • Wallingford, Conn.

Here's a sales opportunity you can hang your hat on: Meriden - Wallingford's 120,200\* big-buying market area with \$83 million retail sales (SM '59 Survey). It's 97% covered by the Record & Journal and—please note! — no Hartford or New Haven ABC daily has more than 400 circulation here. \*Conn. Dept. of Health

The Meriden
RECORD and JOURNAL

Meriden . Connecticut

National Representatives: JOHNSON, KENT GAVIN & SINDING, INC.

# A Tireless Salesman. Working Around the Calendar

The 32nd Annual Review Number of Southern Advertising and Publishing will appear under date of March 31, 1960. This is the only volume that appears anywhere carrying lists of Southern firms that do regional/national advertising, advertising agencies located in the 16 States from Maryland to Texas inclusive, media representatives, and a review of advertisingin print media and broadcast-of the previous year.

Advertising columns close March 10. Whoever has anything to sell in the advertising world of the South can profitably use space in this issue that will work the year around. Each of these Annuals becomes a handbook of information and data serving a purpose exclusively for the last 31 years . . . Write for further details.

An idea of the constant year around demand for the Annual Review Number is reflected in the following:

We are interested in obtaining a copy of your Review Number of March 30.
St. Louis Button Company, Inc.
St. Louis, Mo.

Please send me a copy of the review number of Southern Advertising magazine of March 30. Wildcat Records San Antonio, Texas

Please Air Mail us a copy of the March 31 Annual Review Number and bill us for same.
Noble-Dury & Associates, Inc.
Nashville, Tenn.

Jan. 31 We are interested in receiving your Annual Re-

Number. Levy-Carvin Advertising Agency Lake Charles, La.

Please enter my subscription for three years and also send me your March issue.

Mary Webb, Advertising
Tryon, N. C.

April 10

The latest Annual Review Number is a dandy. It is most comprehensive and attractively assembled. I don't see how you do it, but congratulations.

ations. Charles Parker State Advertising Director (of North Carolina) Raleigh, N. C.

April 10
Congratulations on an excellent 29th Annual Review Number.
Louis Benito/advertising Tampa, Fla.

April 18
We will appreciate a copy of your new Annual
... we will expect to be billed! Thank you.
Charles A. Geiger Assocs., Inc.
Miami, Fla.

Will you please send us a copy of your 31st Annual Review Number when it is published? If there is a charge for this issue, please bill us. Southwest Advertising & Marketing Dallas, Texas

April 21

Of all issues, your March Annual Review Number falled to reach me. Have you a copy remaining which you can send me? Would greatly appreciate it.

V. Kirk Wiles, Advertising Huntington, W. Va.

April 22
Will you please enter our order for one copy
of the Annual Review Number of Southern Advertising and Publishing. Please send statement
for same.
S. C. Toof & Company
Memphis, Tenn.

Please send us a copy of your March 31 An-nual Review Number. Henry I. Christal Co., Inc. Atlanta, Ga.

We would like to have a copy of your March Annual Review Number. Please bill us. Western Perry Printing Processes Co. Atlanta, Ga.

Appreciate your sending us three extra copies Simon & Gwynn Memphis, Tenn.

Please be so kind as to send us two more copies of Southern Advertising, March 31 Annual Review Number and send statement.
Wakes Silvershein Wakes, Inc.
Miami, Fla.

April 24
I remember an issue of your magazine which carried a list of Southern Advertising accounts and their agencies. If you have one of these issues available, I would appreciate it if you would forward it to the above address either "collect" or you may bill us.

American Aviation Publications
Coral Gables, Fla.

April 24
We would appreciate your sending us your most recent copy of your Annual Review Number. You may send it C.O.D. or bill us, whichever you prefer.

Texas Daily Press League Dallas, Texas

Please send us the latest copy of your publica-tion which lists all the advertising agencies and their accounts in the South. American Registry of Doctor's Nurses Marianna, Fla.

Please send us one extra copy of the March 31 Annual Review Number. Harris & Weinstein, Associates Atlanta, Ga.

May 5 Will you please send immediately the Annual Review Number which has recently been published.

H. George Bloch, Inc. St. Louis, Mo.

Would you please mail us a copy of your publication "Annual Directory Issue."

James B. Rogers Associates, Inc.

Baltimore, Md.

June 16
I would appreciate very much your forwarding to me a copy of your Southern Advertising Directory, the latest issue concerning Agencies and their Clients.

Jim Mitchell Advertising Art Huntington, W. Va.

Please send one extra copy of your March An-nual Review Number. Harvey-Massengale Co., Inc. Atlanta, Ga.

Flease send us a copy of your March 31 An-nual Review Number and bill us. Clairmont Display Co. Tucker, Ga.

July 1
I would like to pick up two copies of your March Annual Review Number when I am in Atlanta. One copy for myself and one for Graem Yates Adv. Co., Charlotte. Please bill us. National Furniture Review Charlotte, N. C.

We are interested in purchasing the most re-cent Annual issue of Southern Advertising. We will send purchase order. Cargill, Wilson and Acree, Inc. Charlotte, N. C.

Please send us a copy of your Annual Review Number and bill us.
Plastico, Inc.
Atlanta, Ga.

Would you please be kind enough to forward a copy of Southern Advertising for the month of March. Advertising Incorporated of Washington Washington, D. C.

Have you published a more recent Directory than your 29th Annual Review Number, dated March 30, 1957? If so, please send me a copy and bill for same. and bill for same.
P. H. Hanes Knitting Company
Winston-Salem, N. C.

August 19
I would appreciate your sending me your 1959
Directory of Southern Advertisers.
Bloom Advertising
Dallas, Texas

Sept. 22
We would appreciate having a copy of your March 31 Annual Review Number. Please bill us. Southeastern Merchandise Mart Atlanta, Ga.

Please send us your Annual Review Number and bill this agency.

Harris & Company Advertising, Inc.
Miami, Fla.

Sept. 25
We would like a copy of your March 1958 Annual edition. Attached herewith is our check.
Cox & Jackson Advertising Agency, Inc.
Charlotte, N. C.

Please send us a copy of your March Annual Review Number. Send statement. John Cockerell, Inc. Chicago, III.

Oct. 28
We would like a copy of your Annual Review
Number and a subscription to Southern Advertising and Publishing. Please bill us.
Scope Incorporated
Coral Gables, Fla.

Nov. 4
Please send us a copy of your March 31 Annual
Review Number. Bill us.
Atlanta Matrix & Electrotype
Atlanta, Ga.

Nov. 5

I would appreciate very much receiving one copy of your March 31 issue of Southern Advertising and Publishing. . . Please send it and your bill as soon as possible.

L. S. McCaslin
Tulsa, Okla.

Nov. 6
Kindly send us your latest issue on the advertising agencies that handle major advertising accounts. If there is a charge for same, please send it COD. It will be greatly appreciated.
Interbay Beacon—Ruskin Planter
Port Tampa City, Fla.

#### SOUTHERN ADVERTISING and PUBLISHING 75 Third Street, N.W., Atlanta 8, Ga.



# test where it's best... PORTLAND, MAINE

Rated first for testing among U. S. Cities in 75,000 to 150,000 population group!

Rated sixth for testing among all U. S. Cities due to stable economy.

Rated second for test-ing among all New England cities regardless of population.

Source: SALES MANAGEMENT

Robt. Burns is the latest in a distinguished line of products to select Portland, Maine as best for the test.

Other products recently tested in Northern New England's No. I market are Libby's Beef Stew, Nestle's Nescreme and Breck's Shampoo.

Do what others dol Make Portland, Maine your No. 1 test city. Write for details. Then, you'll be sure to select the market that guarantees ideal and economical testing conditions.



Portland, Maine Newspapers EVENING EXPRESS PORTLAND PRESS HERALD SUNDAY TELEGRAM

Represented by: Julius Matheus Special Agency, Inc.

# HIGH SPOT CITIES

(S.M. F	present i	or Mar	TECAST th. 1960	1)
	No. & Months Out of Past 24	City Index 1960 Vi. 1950	Nat'l, Index 1980 vs. 1959	(Million March 1960

Ind. (continued)			
★ Lafayette 19	110.6	107.4	6.57
* Muncie 10	110.9	107.7	9.49
South Bend 9	102.9	99.9	17.64
* Terre Haute 1	103.0	100.0	9.62
lowa	99.8	96.9	310.74
Cedar Rapids 16	102.3	99.3	13.71
Davenport 13	102.1	99.1	13.04
Des Moines 15	99.5	96.6	30.62
Dubuque 19	101.1	98.2	8.07
Sioux City 18	97.3	94.5	15.49
Waterioo 13	99.1	96.2	9.63
Kan.	97.2	94.4	204.12
Hutchinson 17	98.5	95.6	6.72
Kansas City 9	97.9	95.0	13.24
★ Topeka 11	104.9	101.5	12.97
Wichita 12	94.5	91.7	32.86
Kv	100.4	97.5	197.46
Ky. ★ Lexington 15	105.4	102.3	12.97
Louisville 2	99.2	96.4	49.86
★ Paducah 7	104.0	101.0	5.40
La.	101.0	98.1	233.30
	103.0	100.0	23.57
Lake Charles . 14	95.1	92.4	7.86
Monroe-West			
Munroe 7	101.7	98.7	9.31
New Orleans 0	100.3	97.4	60.40
* Shreveport 13	104.2	101.2	20.77
Maine	102.9	99.9	93.73
Banger 13	98.3	95.4	7.12
Lewiston-Auburn 10 Pertland 15	101.9	98.9	7.68
Pertuna 13	100.0		
Md.	99.3	96.4	268.02
Baltimore 2  * Cumberland 4	99.4	96.5 100.3	115.59 6.79
Hagerstown 5	97.3	94.5	8.28
	100.1	~ 1	
Mass.	102.1	99.1	557.06 125.17
Brackton 20		96.7	9.03
Fall River 6			9.95
Helyoke 18			7.91
Lawrence 11	97.0		10.60
★ Lowell 3			11.16
★ Lynn 11			11,03
★ New Bedford 3		-	11.22
* Pittsfield 3			8.17
	111.3	106.1	9.59
Springfield 12	102.5	99.5	24.41

Springfield .... 12 102.5 99.5 Worcester .... 0 98.5 95.6

Battle Creek . 12 97.1 94.3

Bay City ..... 1 100.5 97.6

Mich.

106.0 102.9

25.36

796.19

8.40

7.97



# **BATON ROUGE** Is On The

Your sales will be on the grow there, too. It's Louisiana's fastest growing market, second in size - first in buying power. Baton Rouge's \$6,455 effective buying income per household is away out front in Louisiana. It can mean more sales for you. The State-Times and Morning Advocate is the total selling medium in this tremendous mar-

"Sales Management Survey of Buying Power

STATE-TIMES AND

MORNING ADVOCATE

Represented by the John Budd Company

## HIGH SPOT CITIES

RETAIL SALES FORECAST Mich. (continued) ★ Detroit .... 7 107.4 104.3 ★ Flint ..... 14 113.4 110.1 236.33 35.18 ★ Grand Rapids . 5 103.7 100.7 30.14 ★ Jackson ..... 8 108.2 105.0 9.73 Kalamazee .... 10 98.3 95.4 ★ Lansing ..... 4 104.5 101.5 17.97 ★ Muskepon . . . . 5 106.4 103.3 8.76 ★ Pontiac ..... 4 105.6 102.5 12 13 Pert Huron ... 0 100.4 97.5 5.91 Royal Oak-Ferndale ... 0 102.6 99.6 14.81 ★ Saginaw . . . . 4 103.6 100.6 13.36 99.7 96.8 340.94 Minn. Duluth ...... 1 95.2 92,4 11.62 Minneapolis ... 17 100.2 97.3 83.68 St. Paul ..... 17 100.7 97.8 47.91 100.7 97.8 156.63 Jackson .... 18 100.3 97.4 18.94 Meridian .... 20 102.7 99.7 6.46 100.2 97.3 433.77 Mo. ...... 3 95.9 93.1 5.72 Kansas City ... 17 98.7 95.8 75.96 St. Joseph ... 16 97.0 94.2 9.40 St. Louis ..... 0 102.1 99.1 100.6R # Springfield .... 23 103.4 100.4 12.40 9 7.5 94.7 75 12 Mont. Billings . . . . 18 97.5 94.7 9.06 Butte ..... 0 91.8 89.1 5.02 Great Falls .... 12 96.2 93.4 8.44 ★ Missouls ....11/16 109.2 106.0 4.56 98.5 95.6 161.48 Nebr. Lincoln ..... 16 101.1 98.2 17.43 Omaha ..... 17 97.7 94.9 40.59 112.6 109.3 43.38 Nev. ★ Las Vegas . 14/21 113.4 110.1 15.12 ★ Reno ...... 24 112.2 106.9 13.02 103.7 100.7 60.13 N. H. \* Manchester ... 12 104.4 101.4 10.89 ★ Nashua ...... 23 103.1 100.1 100.2 97.3 677.69 \* Atlantic City .. 12 103.9 100.9 11.92 Camden ..... 15 100.0 97.1 17.19 ★ Elizabeth ..... 14 108.5 105.3 13.79 Jersey City-Hoboken .... 14 99.4 96.5 26.84 ★ Newark ...... 13 103.2 100.2 67.26 Passaic-Clifton . 10 96.8 94.0 19.20 Paterson ..... 10 96.8 94.0 20.53 Trenton ..... 14 95.2 92.4 26.81

104.9 101.8

31.38

★ Albuquerque . . 24 105.1 102.0

# HIGH SPOT CITIES

	No. # Months Out of Past 24	1960	City Nat'l. Index 1960 vs. 1989	(Million) March 1969
N. Y.		102.2	99.2	1823.85
Albany	. 9	95.4	92.6	19.94
Binghamton	. 8	93.4	90.7	11.72
Buffalo	. 0	99.1	96.2	67.83
Elmira	. 0	99.3	96.4	7.56
# Hempstead				
Township	24	108.3	105.1	133.38
Jamestown	. 0	98.7	95.8	5.83
New York	. 11	102.3	99.3	877.31
Niagara Falls	. 2	102.9	99.9	12.05
* Poughkeepsie .	. 11	107.3	104.2	9.03
Rochester .	. 11	102.8	99.8	55.80
★ Rome	. 2	110.4	107.2	5.06
Schenectady	. 3	96.0	93.2	12.47
Syracuse	. 6	100.2	97.3	33.18
Tray	. 8	97.7	94.9	9.39
Utica	. 0	101.8	98.8	12,47
N. C.		103.8	100.8	366.75
Asheville	. 5	97.5	94.7	9.48
Charlotte	22	102.5	99.5	29.25
Durham	. 11	100.0	97.1	10.63
# Greensboro	. 24	106.0	102.9	25.10
# High Point	. 24	106.5	103.4	7.59
Raleigh	. 11	98.8	95.9	13.35

### Growing GROWING GROWING



# CBS · NBC · ABC

New Reaching 51,000 TV HOMES

**And Gaining New Viewers All** Over WESTERN MONTANA PERFECT TEST MARKET

- 51,000 TV Homes
- Drug Sales Index 167 Retail Sales Index 14: Auto Sales Index 176

#### PERFECT TEST STATION

- Captive Audience in 90% of the area
- Dominates the remainder completely
   Now the only TV station on the air in Western
  Montana
   Low Cost/I,000 Homes

NATIONAL REPRESENTATIVES FOR JOE-TV. INC

## ONE DOES THE JOB

Only the POST covers, sells Salisbury-Rowan, North Carolina. All outside metropolitan state papers combined have a circulation in Salisbury-Rowan but a fraction over 3.500. POST circulation over 18,000. 85,000 market.



Published in the Tra-Cities Salisbury-Spencer-East Spencer Post Office:

> Salisbury, N. C. WARD-GRIFFITH

### COLOR has things jumping in ALTOONA, PA.!

You'll find smiles on the faces of Altoone retailers these days, with retail sales figures going up every month.

There's a good reason, too. They've found that they can reach the pocketbooks of ready-to-buy Altoona and Blair County families with advertising in the ALTOONA MIRROR. What's more, they've found that by adding the magic of COLOR to their advertising, they give their business an extra push. That's why the MIRROR published over 238,000 lines of color last year, with things looking up for '60.

National advertisers will be smart to follow the lead of the retailers—the men who know Altoona best. Put Altoona and the Mirror on the list . . , in COLOR . . . and watch the sales figures jump!

You'll not only get careful craftsmanship in one, two or FULL color . . . but 80% coverage of the city zone, 70% coverage of the entire county!

Sell Bustling Altoona with the

# Altoona

RICHARD E. BEELER, Adv. Mgr.

# HIGH SPOT CITIES

RETAIL SALES FORECAST

N. C. (continued) ★ Salisbury .... 9 107.4 104.3

5.03 ★ Wilmington ... 5 104.0 101.0 6.24 # Winston-Salem 16 112.5 109.2 18.72

95.5 92.7 66.38 N. D. ..... 19 95.7 92.9 8.33

102.8 99.8 958.63 Ohio ..... 11 106.6 103.5 41.13 ★ Canton ..... 8 103.7 100.7 16.85 # Cincinnati .... 103.7 180.7 74.76 ★ Cleveland .... 7 103.5 121.79 100.5 Columbus .... 14 95.4 92.6 64.61 ★ Dayton ..... 8 107.5 304.4 46.63 110.7 107.5 5.13

★ Hamilton .... 8 105.3 102.2 9.90 Lima ..... 0 99.8 96.9 7.92 ..... 10 103.1 7.20 **★** Lorain 100.1 # Mansfield .... 8 106.2 103.1 9.63 ★ Middletown . . 12 105.6 102 5 5.83 ★ Portsmouth ... 4 103.4 5.59

Springlield ... 10 102.2 99.3 21.00 Steubenville .. 0 98.8 95.9 ★ Toledo ..... 6 107.7 104 6 43.23 Warren ..... 7 101.2 R.28 Youngstown ... 4 97.0 94 2 21.56 ★ Zanesville .... 3 105.2 102.1 6.24

199.05 100.0 97.1 Okla. Bartlesville ... 0 99.8 96.9 2.90 Muskogee .... 16 91.4 5.50 ★ Oklahoma City 2 104.5 101.5 41 72 Tulsa ...... 2 96.6 30.59

106.7 103.6 201.14 ★ Eugene . . . . 16 114.3 111.0 10.62 ★ Portland ..... 16 106.5 103.4 70.18 \* Salem ..... 20 103.0 100.0 9.63

105.4 102 3 1094.95 Pa. Allentown . . . 12 97.0 94.2 17.92 Altoona ..... 6 96.4 916 7.73 Bethiehem .... 0 93.0 90.3 5.99 Chester ..... 21 101.0 98.1 11.35 ★ Erie ...... 4 108.4 105.2 17.45 Harrisburg ... 13 96.8 94.0 17.29 Hazleton .... 0 100.6 4.00 9.25

Johnstown 1 06 7 93 0 Lancaster .... 8 100.9 98.0 12.20 ★ Norristown ... 24 110.7 7.41 Oil City ..... 0 96.5 95.6 2.06 # Philadelphia .. 15 111.4 108.2 264.08

Pittsburgh . . . 6 102.7 99.7 88.27 Reading ..... 0 97.7 94.9 14.16 Sharen ..... 6 98.7 GS R 4.13 Scranton .... 6 95.2 92.4 12.04 Wilkes-Barre . 8 96.6 93.8 9.58 Williamsport .. 0 100.1 97.2 5.95

11.28

★ Yerk ...... 11 105.2 102.1

### ELYRIA, OHIO

Sets Ohio Sales Pace in the Soaring Sixties

for Feb. 1960 over Feb. 1959

Elyria roars into the Sixties out in front of every High-Spot city in the state-5.9% above the state gain, 6.2% above the national!

Powerful growth factors assure Elyria a long-term boom. More new industries in this big industrial county are lifting income— already \$386,705,000—to record heights. 74% of county families now earn \$4,000 and up. Sales Management's 1958-65 population forecasts show this metropolitan area with sharpest percent gain in Ohio.

Your opportunities are booming along with Elyria. How about your sales? Start new to influence the county's bulging pocket-books and eager buying habits by scheduling the Chronicle-Telegram.

# **Chronicle-Telegram**

"THE FAMILY NEWSPAPER"

# ELYRIA, OHIO Circulation 24,440 ABC 4/30/59

DOUBLE the Number of City Families

Represented by The Julius Mathews Special Agency, Inc.

# Latest flash from earth



# Only the GLOBE TIMES covers BETHLEHEM, Pa.

Fact: Last year over 45% of liquor sales in the Ailentown-Bethlehem market went to Beth-lehem! So if you're looking for liquor business (or any other kind!) do as smart retailers do— use the one paper that goes to all Bethlehem families, the Globe-Times!

### The Wethlehem Globe-Times

Rolland L. Adams, Publisher

Gallagher-DeLisser, Inc., National Representatives



Why be satisfied with nibbling at R. I.'s 2nd largest market? Get the lion's share of Pawtucket's ABC Retail Trade Zone of over 50,000 families, with income exceeding \$300 million\*! How? With Pawtucket Times 72.3% coverage, giving you 400% more coverage than any other daily, 900% more than any other evening paper!

\* SM Estimate

# Pawtucket Times

PAWTUCKET, RHODE ISLAND

Represented Nationally By Story, Brooks & Finley, Inc.



# Penny-Watcher?

You'll enjoy the economy of reaching the \$67-million retail market of Woonsocket through its only local daily: The Call, covering 98% of this 64,-596 ABC City Zone.

# WOONSOCKET

COVERS RHODE ISLAND'S PLUS MARKET

Representatives:
Johnson, Kent,
Gavin & Sinding, Inc.
Affiliated: WWON, WWON-FM

## HIGH SPOT CITIES

RETAIL SALES FORECAST 101.4 98.4 Newport ..... 15 98.9 96.0 4.17 Pawtucket-Central Falls .. 0/17 100.1 97.2 R.58 Providence ... 13 101.1 98.2 34.13 ★ Woonsocket ... 13 109.3 106.1 6.46 109.2 106.0 158.29 S. C. ★ Charleston ... 21 107.7 104.6 13.01 Columbia . . . . 13 102.4 99.4 15.76 ★ Greenville .... 16 120.3 116.8 14.00 ★ Spartanburg .. 13 110.1 106.9 7.18 S. D. 103.5 100.5 71.05 . 4 96.5 93.7 Aberdeen 3.77 ★ Rapid City . . . 24 109.3 106.1 8.70 Sioux Falls .. 24 102.5 99.5 12.44 Tenn. 104.9 101.8 261.24 .. 19 105.3 102.2 Knoxville .... 2 100.6 97.7 21.24 ★ Memphis . . . . 6 111.8 108.5 60.48 Nashville .... 19 97.9 95.0 35.46 102.8 99.8 943.09 7exas \* Abilene ..... 20 104.3 101.3 8.63 ★ Amarille . . . . 24 108.6 105.4 18.98 ★ Austin ...... 24 107.0 103.9 21.99 Beaumont ... 5 99.7 96.8 13.58 Corpus Christi 0 96.6 93.8 19.16 ★ Dallas ...... 21 106.1 103.0 106.60 ★ El Paso . . . . 21 103.3 100.3 27.92 Fort Worth . . 13 98.9 96.0 52.22 Galveston .... 0 96.0 93.2 6.84 Houston ..... 0 101.6 98.6 107.50 Laredo ..... 12 97.6 94.8 4.20 ★ Lubbock ..... 24 111.3 108.1 21.83 Port Arthur .. 8 94.5 93.4 7.73 San Angelo .. 12 101.4 98.4 8.05 \* San Antonio .. 19 104.9 101.8 58.07 Texarkana . . . 1 99.3 96.4 Tyler ..... 3 96.6 93.8 7.14 ★ Waco ...... 21 107.1 104.0 13.87 ♦ Wichita Falls 19 106.5 103.4 11.10 102.9 99.9 76.46 Ogden ...... 13 95.7 92.9 8.63 \* Salt Lake City 10 105.2 102.1 33.78 103.4 100.4 38.94 # Burlington ... 22 106.9 103.8 6.25 Rutland .... 5 97.2 94.4 2.92 Va. 100.0 97.1 320.59 Danville .... 2 99.2 96.3 5.61 ★ Lynchburg ... 15 104.6 101.6 7.02 Newport News . 6 98.0 95.1 10.40 Norfelk ..... 0 99.5 96.6 30.55 Portsmouth ... 14 101.6 98.6 9.91 Richmond ... 21 100.0 97.1 43.06 Musneke ..... 6 101.4 98.4 11.97 103.6 100.6

Bellingham . . . 6 99.6 96.7

3.45

# HIGH SPOT CITIES

RETAI	L SALI	s FOR	ECAST	
(S.M. F	No. * Months Out of Past 24	1960	City Nat't. Index 1960 vs. 1959	S (Million) March 1960
# Everett	. 22	104.5	101.5	7.16
* Seattle	. 18	107.9	104.8	88.84
Spokane	. 0	98.4	95.5	24.50
Tacoma	10	98.3	95.4	21.61
Yakima	15	96.9	94.1	8.97
W. Va.		100.4	97.5	131.89
* Charleston	7	104.1	101.1	15.71
Huntington	3	98.8	95.9	11.29
wneeling	0	96.9	94.1	8.33
Wis. ★ Beloit-		104.1	101.1	406.53
Janesville .	. 2	109,4	106.2	9.03
Green Bay-App	ple-			
ton-Neenah-				
	.4/20	98.2	95.3	19.16
* Kenosha	11	119.4	116.0	8.45
La Crosse	. 15	99.1	96.2	7.64
Madison	14	102.4	99.4	18.10
* Milwaukee	19	104.2	101.2	104.75
★ Oshkosh	8	108.0	104.9	6.65
**	6	108.2	105.0	10.01
★ Sheboygan Superior	6	96.5	107.9	6.31
Superior		90.5	93.7	3.47
Wyo.		108.6	105.4	42,44
Casper	9	98.6	95.7	6.64
A Cheyenne	24	120.0	116.5	7.36
CANADA		102.0	100.0	1268.40
Alberta				
★ Calgary	4	107.5	105.4	19.96
★ Edmonton .	10	110.1	107.9	25.29
British Co				
**	8	102.0	100.0	51.60
★ Victoria	13	107.3	105.2	11.19
Manitoba * Winnines	21	103.1	101.1	35.20
New Brun	swic	126,9	124.4	5.22
* Saint Som	43	120,5	224.4	3.44
Nova Sco	tia 12	102.6	100.6	10.82
₩ riaiirax	44	102.0	100.0	10.62
Ontario		1100	1100	20.22
★ Hamilton ★ London	21	118.9		
★ Ottawa	24			
	24			
	7			
Quebec				
Montreal	15	101.7	99.7	120.61
* Quebec		103.8		
Saskatch				
Regina	1	96.3	94.4	13.31

# EXECUTIVE OPPORTUNITY

If you are an outstanding senior executive with the finest of references, we will be interested in discussing with you Regional Directorships which are open in several geographical areas with America's Largest Brake Specialists, Safeway Brake Shops. We will show you in precise detail how you can earn \$25,000 to \$40,000 in your first year, operating multiple units in a major city. The reasonable future should reflect an income well in excess of \$75,-000 per annum. Total capital investment is \$20,000.

If you are between 30 and 45 and qualify, please write full details to:

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1931 Lewis Tower Bldg. Philadelphia 2, Pa.



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the copy shop MU 3-1455 270 Madison Avenue New York City 16

#### **EXECUTIVE SHIFTS** IN THE SALES WORLD

Addressograph-Multigraph Corp. . . . Joseph H. Conwav named sales manager, Electronics Division.

Crown Zellerbach Corp. . . .

Millard K. Rawlings promoted to sales manager, Industrial Paper Sales Division.

E. I. du Pont de Nemours & Co.,

Robert R. Smith appointed director of sales, Film Dept.

Eaton Manufacturing Co. . . .

E. M. deWindt elected vice president and sales director.

Einson-Freeman Co., Inc. . . .

Robert G. Clayton named vice president and general sales manager.

Hallmark Cards, Inc. . . .

D. M. Grav elected vice president in charge of sales.

Hammermill Paper Co. . . .

John E. Franzen made general sales manager.

Hawaiian Airlines . . . John F. Heiner advanced to director of merchandising.

Hevi-Duty Electric Co. Division of Basic Products Corp. . . .

Arthur Frank promoted to vice president, sales.

Hunt Foods and Industries, Inc. . . .

Robert W. Werth appointed director of marketing.

Indian Head Mills, Inc. . . .

Sigo Mohr, Jr., named sales manager, Greige Goods; and Charles Bellows sales manager, Industrial Fab-

Indiana General Corp. . . .

Portus M. Wheeler promoted to vice president, sales, for Indiana Steel Products Division.

National Carbon Co. Division of Union Carbide Corp. . . .

Charles J. Chapman made vice president-marketing.

Edward Petry & Co., Inc. . . .

Martin L. Percival promoted to eastern sales manager, Radio Division. Robert L. Hutton, Jr., and Louis A. Smith made vice presidents.

Pro-phy-lac-tic Brush Co. . . .

H. C. Gardenier becomes director of field sales, Brush Division.

Salada-Shirriff-Horsey, Ltd. . . .

Conrad W. Lundell promoted to sales manager of Salada-Junket products, Salada-Junket Division.

Seneca Falls Machine Co. . . .

Ray A. Young appointed general sales manager.

Sperti-Faraday, Inc. . . .

James L. Young appointed general sales manager.

York Division of Borg-Warner Corp. .

W. E. Landmesser named general sales manager for packaged products; F. C. Wood made manager of air conditioning sales.



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Aero Mayflower Transit Company 68 Agency: Caldwell, Larkin & Sidener-Van Riper, Inc.
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American Home
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#### VICE PRESIDENT SALES AND ADVERTISING

Challenging top management opportunity with nationally known long-established manufacturing company in Southern California.

Responsibilities include revitalizing the sales force, planning advertising and sales campaigns, developing public relations, and eventual participation on Board of Directors.

Experience in sales to both chain and Independent supermarkets is essential. Age to 50. College degree required.

Salary to \$30,000, with axcellent future possi-

Send complete resume to Box 200, Sales Management.

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ADMINISTRATIVE ASSISTANT

Edward S. Hoffman

Asst. to Vice President, Sales Cecelia Santoro

ADV. SERVICE MANAGER Madeleine Singleton

PRODUCTION MANAGER

Virginia New

# DIVISION SALES

New York—W. E. Dunsby, Wm. McClenaghan, Elliot Hague Robert B. Hicks, Dan Callanan, F. C. Kendall, Ormond Black, 630 Third Ave., New York 17, N. Y., YUkon 6-4800.

Chicago — C. E. Lovejoy, Jr., Western General Manager; W. J. Carmichael, Western Advertising Director; John W. Pearce, Western Sales Manager; Thomas S. Turner, Robert T. Coughlin, 333 N. Michigan Ave., Chicago 1, Ill., STate 2-1266; Office Mgr., Vera Lindberg.

Pacific Coast—Warwick S. Carpenter, 15 East de la Guerra, Santa Barbara, Calif., WOodland 2-3612, Pacific Coast Manager: Northern California, Washington and Oregon, M. A. Kimball Co., 2550 Beverly Boulevard, Los Angeles 57, Cal., DUnkirk 8-6178; or 681 Market St., San Francisco 5, Cal., Exbrook 2-3365.

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# A CAREER REVIEW ... may be in order!

\*\*\*\*\*\*\*\*

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29 East Madison Bldg. Chicago 2, Illinois Financial 6-8700



#### What's Underfoot

Newest of Park Avenue's glass rabbit warrens is the towering Union Carbide Building. And if statistics fascinate you, hear this: The new headquarters for this industrial giant will boast 15 acres of Dynel carpeting in its corridors and executive offices, making this the largest single-building carpet installation in the world. Represents a lot of moolah, all that carpet. And Union Carbide wanted to make sure it got its money's worth. So for periods up to 18 months the company tested carpeting by leading manufacturers in wool, in synthetics and in anything else that looked possible. Strips of carpeting were laid near elevators, in the old offices, where traffic was heaviest, let the patter of little and big feet give the samples a good drubbing. In the end Dynel won and beige was chosen as showing the least soil. James Lees & Sons Co. got the contract-at a time when rug makers are eating their own carpeting because of poor sales. They're getting ready to lay those 73,000 square yards of Dynel at the suggestion of (not a brace of efficiency experts) the maintenance men to whom Union Carbide awarded decision privilege-since the m.m. will have to keep the carpet looking its best!



#### Fine Points

The Age of Utilization is upon us: Since the swimming pool business is a sometime (or Summertime) thing, now there's The Dick Button Ice Skating Division of United States Swimming Pool Corp. Salesmen probably have a better chance to

push prospects into the swim. Or onto thin ice . . .

And specialization has reached some sort of high with Bovine Crowns, Inc., Sedgwick, Colo. Company makes store teeth for cows at \$15 a set, says, "Bovine Crowns extend the life of the cow from 11 years to 20." Alas, as with humans, when the bite goes everything drops to pieces . . .

Latest additions to Queen Elizabeth's list of royal warrant holders: a rat-catching company, no cow-denture fashioners. Anglophobes will find comfort that England is so hopelessly behind the times.

#### Who Was That Lady?

Pretty gal came to call on us the other day. Offered to give us the spotlight with Miss America. Gal's name is Betty Allen and she works for Polaroid Corp. She's a traveling woman, heads her company's Convention Package program, now three years old.

Polaroid was up against it; leading American firms wanted to buy its Land cameras at wholesale prices. Can't do. So to keep good will the company set up the Convention Package. It provides for any convention or sales meeting everything from personnel to electronic flash equipment, almost as free as Attractive young college grads, recruited by Miss Allen, who have taken thousands of Land pictures, operate the cameras, enclose resulting pictures in special folders. There is a charge but Polaroid thinks it's nominal. Minimum package one girl, with cameras and equipment - costs \$500 for the first three days. For each additional day, the cost is \$100. Equipment is free; the charge covers the operator's expenses.

Miss Allen had a minimum of two shows a week last year, from coast to coast. Philco, which has had Miss America on hand at its retailer convention for two years, has offered all comers the chance to pose with her in Land pictures. Others who've used the Convention Package: Life International, General Motors, Gillette, General Electric.

Call it vanity; it's running up nice sales for Polaroid.



#### Definition

Into the life of every successful tycoon eventually falls a piece of embarrassment. Other day one of our editors treked up to a press conference by American Iron and Steel Institute. The writers were handed a release announcing an industrywide program to merchan-dise steel and products made of steel, at the consumer level, first of its kind. Highlight: a distinctive symbol adopted by the industry, the Steelmark, designed by Lippincott & Margulies, Inc. Then up rose the distinguished Mr. Benjamin Fairless, who adjusted his glasses and proceeded to intone the release. Everything went fine until he got to the passage which delineated the Steelmark. . . . it features three hypocycloids . . . " said Mr. Fairless, with only the slightest of hesitations. A voice in the back of the room asked what might be a hypocycloid. Mr. Fairless hesitated once more and gave a candid answer: "I don't know."

Back at the office our editor looked up the word. Hypocycloid is "a curve generated by the motion of a point on the circumference of a circle which rolls internally, without slipping on a given circle."

And that, Mr. Fairless, is that.

# The 1960 JOHN PLAIN PRIZE BOOK

# JUST OFF

KING SIZE—11 x 14
72 MULTI-COLOR PAGES
OVER 1900 PRIZES

BACKED BY JOHN PLAIN'S

FAMOUS, MONEY-SAVING

PROMOTIONAL ALLOWANCE PLAN

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Please send me a sample copy of the new John Plain Prize Book and details on your money-saving Promotional Allowance Plan.

Address\_\_\_\_\_\_Phone No.\_\_\_\_

City\_\_\_\_\_State\_\_\_\_

Attention of \_\_\_\_\_Position\_\_\_\_





# More readers..... more advertisingTHE TRIBUNE GETS 'EM IN CHICAGO!

The Tribune sells nearly 900,000 copies daily, nearly 1,200,000 on Sundays—over one and a half times the circulation of any other Chicago paper. It is read by more families in Chicago and suburbs than the top 5 national weekly magazines combined. More than 6 times as many Chicagoans turn its pages as turn on the average

evening TV show! Advertisers spent over \$71,000,000 in the Tribune last year—more than in all the other Chicago papers put together. The Tribune's advertising results are unmatched. It out-pulls other Chicago papers 3 to one, 4 to one, even 15 to one—evidence of a selling FORCE which is uniquely the Tribune's in Chicago!

